

access >>>



INNOVATING
FOR A SUSTAINABLE
FUTURE

ACCESS BANK PLC
ANNUAL REPORT & ACCOUNTS
2017



SPEED SERVICE SECURITY





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WELCOME TO THE SUSTAINABLE FUTURE



As an organization focused on taking the lead in our rapidly evolving and increasingly complex business environment, we constantly seek to anticipate and solve problems of our consumers and stakeholders. At Access Bank, we embrace a culture of innovation—through an enterprise-wide approach, we channel resources towards the development of promising ideas that translate into profit for today and sustainable business growth for tomorrow.

Now more than ever, the effective implementation of sustainable business practices is a critical factor for achieving financial growth. On a global scale, consumers, investors and other drivers of economic growth consider sustainability as a measure of business performance. For an institution like ours, it is imperative that we invest our resources in activities that are economically progressive, environmentally conscious and socially responsible. This is why the Bank has harnessed the power of innovation as a tool for implementing sustainable development, as reflected across every aspect of our business, from our core values to our product delivery.

We are paving the way and re-engineering the face of Africa through sustainable innovations in financial technology, digital advancement and sustainable development. In 2017, our innovations translated to impressive financial growth and continued to position us as the forward-thinking digital bank of the future. We continued to improve our service touch-points as we further deepened our retail play with emphasis on cheaper funding. Some of our revolutionary initiatives include the digital innovation hub, The Africa Fin-tech Foundry; the artificial intelligence app Tamara; and our inclusive banking programme 'Save Today, Take Tomorrow Initiative'.

We remain committed to exploring new frontiers and inventing new sustainable models, processes and solutions that ensure 'Innovation for a sustainable future'. As we continue to imbibe and nurture a culture of innovation, our business decisions remain governed by the fundamental resolve to operate with the future generations in mind.

The future is bright at Access Bank and our innovative strategies are illuminating our pathway to a sustainable future.



SPEED

Rapid response and quick access to advice, information and products are important to all customers.

Our ability to translate effective governance and leverage employees' competence to deliver swift and appropriate responses to customers is a significant competitive advantage.



SERVICE

Service matters to our customers, whose expectations have risen dramatically.

Service is both qualitative and quantitative. It has much to do with how customers feel and how long they have to stand in a queue.

Our customers appreciate that we treat everyone with respect and consideration.



SECURITY

Security is fundamental to customers. They need to be able to trust us to manage their finances responsibly. 95% of customers surveyed say that security is the most important factor in choosing to bank with us.

GET THE OMNICHANNEL ADVANTAGE

SAME BANK. DIFFERENT TOUCHPOINTS. SAME EXPERIENCE

Keep enjoying our ever improving banking services



FOR MORE INFORMATION

☎ 01-271 2005-7

✉ contactcentre@accessbankplc.com

🌐 www.accessbankplc.com



SPEED SERVICE SECURITY



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SPEED **SERVICE** **SECURITY**

01 | OVERVIEW





A brief review of Access Bank's Financial and Operational Achievements in the past year

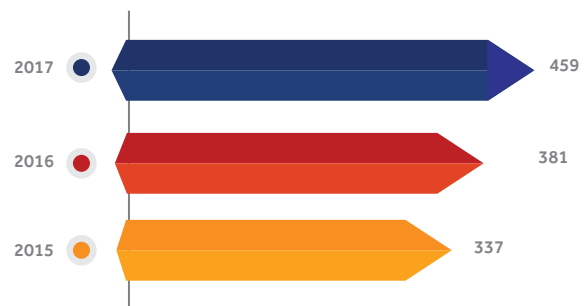
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BUSINESS & FINANCIAL HIGHLIGHTS

Gross Earnings

N'billion

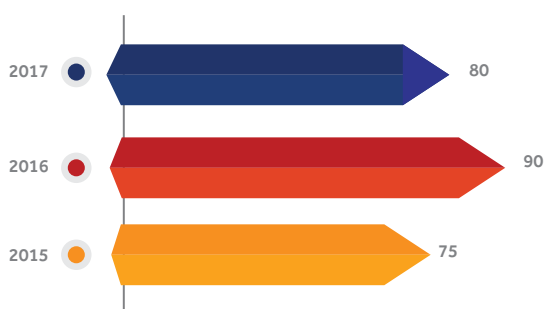
20.4%



Profit Before Tax

N'billion

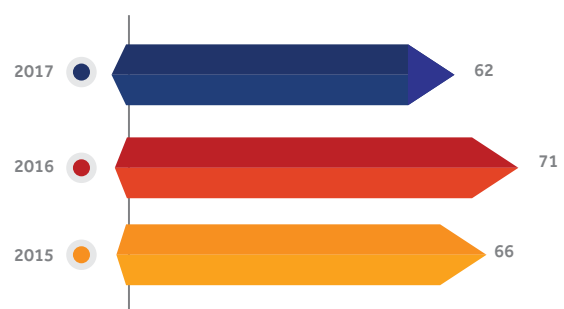
-11.4%



Profit After Tax

N'billion

-13.2%



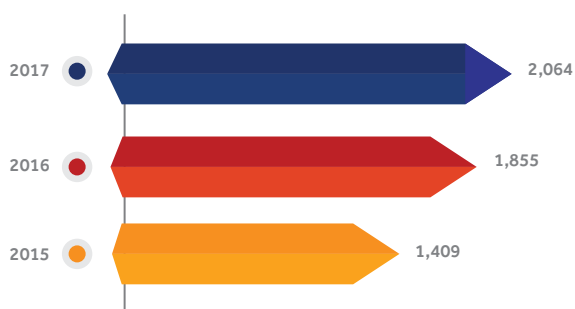


In thousands of Naira	2017	2016	2015
GROSS EARNINGS	459,075,779	381,320,783	337,404,230
PROFIT BEFORE TAX	80,072,480	90,339,456	75,038,117
PROFIT AFTER TAX	61,990,852	71,439,347	65,868,773
CUSTOMERS' DEPOSITS	2,244,879,075	2,089,197,286	1,683,244,320
NET LOANS AND ADVANCES	2,064,101,703	1,854,662,174	1,408,564,741
SHAREHOLDERS' FUNDS	515,447,409	454,494,580	367,801,467
TOTAL ASSETS	4,102,242,820	3,483,865,564	2,591,330,151

Net Loans and Advances

N'billion

11.3%



Customers' Deposits

N'billion

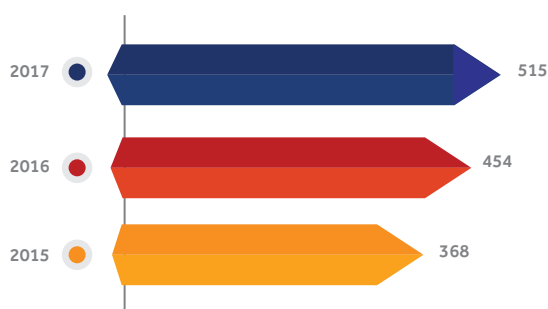
7.5%



Shareholders' Funds

N'billion

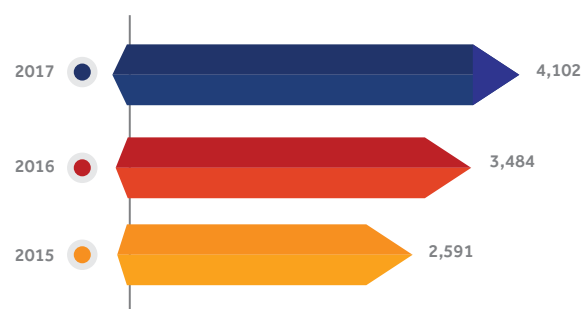
13.4%



Total Assets

N'billion

17.7%



LOCATIONS AND OFFICES





We are a leading financial institution with headquarters in Nigeria, driven by strong core values through which we have continuously delivered solid and consistent performance. We are in business to help our growing customer base build a sustainable future by offering bespoke products and solutions through a skilled workforce across Sub-Saharan Africa, United Kingdom, the Middle East and Asia.

The Bank is licensed to provide international banking services and is renowned for its comprehensive range of financial product offerings. The key business segments of the Bank are: Corporate and Investment Banking, Commercial Banking, Business Banking and Personal Banking. The key customer segments include: Telecommunications, Beverages, Manufacturing, Construction, Oil & Gas, Parastatals, High Networth Individuals and Middle Income Professionals.

We take pride in our ability to add value to clients and to leverage our unique value proposition to provide innovative and proactive solutions across entire economic value chains. In deploying products and services, the Bank adheres to responsible business practices and readily commits resources to social investments in fulfillment of its corporate social responsibility convictions.

We are located in all major commercial centres and cities across Nigeria. We operate 7 subsidiaries within West Africa, East Africa and the United Kingdom. The Bank also has business offices in the Republic of China, Lebanon, United Arab Emirates and India.



Democratic Republic of Congo

Number of Branches: **5**
Total Staff: **80**



Sierra Leone

Number of Branches: **4**
Total Staff: **36**



Gambia

Number of Branches: **6**
Total Staff: **48**



Rwanda

Number of Branches: **7**
Total Staff: **66**



United Kingdom

Number of Branches: **2**
Total Staff: **113**



United Arab Emirates

Rep. Office: **1**
Total Staff: **3**



Ghana

Number of Branches: **46**
Total Staff: **545**



Lebanon

Rep. Office: **1**
Total Staff: **1**



China

Rep. Office: **1**
Total Staff: **1**



India

Rep. Office: **1**
Total Staff: **1**



Nigeria

Number of Branches: **315**
Total Staff: **3,189**



Zambia

Number of Branches: **6**
Total Staff: **66**



CHAIRMAN'S STATEMENT

The year 2017 was an interesting period for the Bank. Against the backdrop of an improving macro-economic environment in the second half of the year, the Group delivered strong results which showed its ability to generate sustainable earnings, backed by a commitment to effective execution of strategy and clear management action. It was also a year when we took action to refocus our strategy and to reposition the Group for the future. The progress we achieved was made possible by hard work and relentless commitment to deliver superior service to our customers.

With a solid foundation already in place, 2017 was dedicated to strengthening our management capabilities, improving our risk management framework, re-engineering our processes and technology and diversifying our businesses for sustainable revenue generation.

MACROECONOMIC REVIEW

For global financial markets and the global economy, 2017 was a year of progress. Though characterized by natural disasters and geo-political tensions, the year ended on a high note, as global GDP growth continued to accelerate over much of the world in a broad cyclical upswing.

Global stock markets strengthened in 2017, fuelled by strong underlying growth and a recovery in investment from increased capital spending which boosted international trade. The global oil price recovered in 2017, benefiting from increasing demand around the world. Larger emerging market economies such as Argentina, Brazil, Nigeria and Russia exited recession fuelled by continued monetary policy accommodation and fiscal stimulus.

On the domestic front, the Nigerian economy consolidated the exit from recession in 2017 recording 1.9% growth in the fourth quarter. However, as would be expected, the recessionary pressures did create some difficulty in some sectors, leading to elevated NPLs. External reserves climbed to a 3-year high; inflation slowed for the tenth consecutive month while oil prices advanced to levels not seen since mid-2015. The year recorded a sustained bull run in the equities market as we saw the largest capital inflow



The progress we achieved was made possible by hard work and relentless commitment to deliver superior service to our customers

MOSUN BELO-OLUSOGA, FCA
CHAIRMAN



since 2014 attributable to the greater confidence in the health of Nigerian foreign exchange market.

FINANCIAL PERFORMANCE

The Bank's ability to generate strong financial performance despite the adverse market conditions and the residual issues from the recession is a testament to the tenacity of our Management team and staff. In the year, we recorded strong top line growth as gross earnings improved by 20% to N459 billion. Significant higher provisioning, arising from the macroeconomic headwinds, affected profitability with profit before tax reducing year on year to N80 billion in 2017 from N90 billion in 2016. Total Assets as at December 2017 stood at N4.1 trillion representing an 18% increase over the N3.5 trillion recorded in 2016 while loans and advances grew by 11% to close at N2.1 trillion in 2017 from N1.9 trillion in 2016.

Our overall performance underscores our commitment to the continued execution of our strategy in order to generate sustainable economic returns, while maximizing shareholders' value.

DIVIDEND

The Board recognises the importance of dividends to shareholders and believes in balancing returns on investment for shareholders with support for the Bank's future growth and preserving strong capital ratios.

During the 2017 financial year, Directors declared and paid an interim dividend of N0.25, for the half-year ended June 30, 2017.

In light of recent performance, the Board recommends the payment of a final dividend of N0.40, bringing the total dividend for the year ended December 31, 2017 to N0.65.

BOARD DEVELOPMENTS

In 2017, we continued to ensure that our corporate governance policies and standards stayed ahead of statutory requirements and showed strong adherence to our values.

Subsequent to the last Annual General Meeting and following the resignation of Mr. Obinna Nwosu as Group Deputy Managing Director, the Board in line with our entrenched succession plan appointed Mr. Roosevelt Ogbonna as his successor. Mr. Ogbonna joined the Bank in 2002 and was

until this appointment, our Executive Director, Commercial Banking. The Board is extremely confident in his ability to excel in his new position. The Board also appointed Ms. Hadiza Ambursa as Executive Director - Commercial Banking, North. Ms. Ambursa is a thorough-bred professional with over 20-years' experience in various facets of banking. Before her appointment, she was a General Manager in the Bank responsible for our Commercial Banking business in the Northern part of the country. Mrs. Ojinika Olaghere our Executive Director, Operations and Information Technology has also resigned her appointment to enable her pursue personal endeavours. The Board has appointed Mr. Adeolu Bajomo as her successor. Mr. Bajomo is a globally focused financial services executive with achievements cutting across technology, banking, insurance and capital market. He was until his appointment, the Executive Director, Market Operations and Technology at the Nigerian Stock Exchange. In that role, he delivered market-wide transformation initiatives that firmly established the Exchange as the second largest bourse in Africa by market capitalization with over 7 million investors. These appointments reflect the rich pool of talent within the Bank as well as the Board's readiness to externally source the talent required to deliver on the Bank's strategy. The Board has great confidence in the abilities of the appointees.

I am also pleased to report that Mr. Emmanuel Chiejina retired from the Board in June 2017 following his successful completion of the maximum 12-year term limit as allowed by the Central Bank of Nigeria's regulation. On behalf of the Board, I commend the exiting Directors for their respective commitments and contributions to the Group and wish them success in their future undertakings.

SUSTAINABILITY

The Bank always strives to deliver sustainable economic growth that is profitable, environmentally responsible and socially relevant. We delivered sustainable growth in market share in most of our core market segments in line with our strategic growth plan leading to the Bank receiving 14 awards for its pace setting role in the sustainability space. The details of the awards are set out in the sustainability segment of the report.

EMPOWERED EMPLOYEES

Our people are our greatest assets and our success is intrinsically linked to customers' experiences created by our staff at every service point. The results achieved during the



2017 financial year were due to the collaborative and passionate work culture of all our employees. We will continue to improve their collective buy-in into the Bank's strategic vision whilst rewarding them for their contributions.

2018-2022 STRATEGY

In 2013, the Bank set a bold goal to attain top three position in key metrics in its chosen market by 2017. I am delighted to report that this goal was reasonably achieved by the end of 2017 in spite of daunting challenges. However, there are significant lessons learnt given our macro-economic and regulatory environment, which will prove invaluable for the next 5 years. Following the end of the 2013-2017 plan period, our Bank has embarked on an ambitious journey to become Africa's Gateway to the World within the next five years.

In the pursuit of our strategic growth objectives, the Board is committed to strengthening the Bank's funding and capital base as well as profitability through a robust capital structure. This need is underscored by the growing scale of regulatory headwinds and economic realities which have put demands on liquidity and capital. In furtherance of this, the Board deems it necessary to further bolster the Bank's capital and funding base through the issuance of debt securities including non-convertible loans, notes, bonds, and or any other instruments that are considered appropriate for the Bank to meet its growth objectives. This will be for


an additional sum not exceeding USD 500,000,000.00 (Five Hundred million United States Dollars) to the existing USD 1,000,000,000 (One billion US Dollars) programme and will be issued in tranches as may be required. I therefore urge shareholders to approve the necessary resolutions to be presented at this meeting in this regard.

LOOKING FORWARD

An eventful year has passed and a new one has begun. Even though elements in the global and domestic economic environment and prospects now seem more favourable, the financial markets still face uncertainties created by structurally lower economic growth over a prolonged period and an uncertain political outlook in some of the geographies we operate.

As we move on to the next phase of our growth story, the Board is positive that we will achieve our growth aspirations through a sustained and sharp focus on our strategic priorities. Operating efficiency will remain at the heart of our decisions and we will continue to focus on effective execution of our strategy and on delivering value to shareholders.

I would like to thank our customers and shareholders for their support during 2017, and above all our great people for their hard work and relentless commitment to Access Bank.



We will continue to improve the collective buy-in of all employees into the Bank's strategic vision whilst rewarding them for their contributions.

-MOSUN BELO-OLUSOGA,
CHAIRMAN



CHIEF EXECUTIVE'S REVIEW

The past few years have been extraordinary for Access Bank. We navigated the financial crisis and its turbulent aftermath whilst never losing sight of the reason we are here: to serve our clients, our communities, and of course, to earn a fair profit for our shareholders. Despite these challenges we have never lost sight of our sustainable business agenda, and continued to invest in technology and talent to strengthen the future of our company.

2017 IN RETROSPECT

In 2017, we demonstrated resilience amidst macro-economic challenges that weighed on credit expansion, asset quality and capital adequacy, to record a largely positive performance for the year.

Gross Domestic Product (GDP) growth for the second quarter of the year, marked the end of five quarters of con-

traction, with improved performance driven by minor recovery of oil prices and production, as well as sustained growth in other sectors in the economy.

Monetary policy helped cushion the effects of the recession, and moderate the impact on earnings across the industry, as banks explored new opportunities to improve profitability.

The financial markets also strengthened in 2017, with the Nigerian Stock Exchange (NSE) recording a 42% return in the NSE ASI index, earning itself the 3rd best exchange in the world. This positive trend translated to increased foreign investor confidence and appetite for Nigerian assets.

The Nigerian macro-economic and banking landscape have undoubtedly been impacted by recent volatility. Despite this, our business has consistently evolved and adapted to changes in consumer behavior, technology, and the competitive landscape. We remain committed to achieving a sustainable growth plan regardless of any macro constraints.

FINANCIALLY STRONG AND SUSTAINABLE

Despite marked improvement in the macro-economic backdrop, the residual effect of the recession intensified



HERBERT WIGWE,
GROUP MANAGING DIRECTOR / CEO

Despite these challenges we have never lost sight of our sustainable business agenda, and continued to invest in technology and talent to strengthen the future of our company.



pressures on asset quality and cost of risk, resulting in weaker-than-expected earnings during the operating period.

The Group posted revenue of N459 billion, a 20% increase from the previous year, reflecting the strength and sustainability of our diversified businesses and enhanced retail market penetration. However, the exchange rate volatility and other economic headwinds, which resulted in significant loan loss provision, affected profitability as profit before taxes reduced by 11% from N90 billion in 2016 from N80 billion in 2017.

The overall quality of our risk assets was also impacted as NPL ratio increased to 4.8% in 2017 from 2.1% in 2016 as a result of the heightened risk environment. Nonetheless, our commitment to robust and proactive risk management practices remains imperative as we strive to maintain a healthy balance sheet.

Total assets rose by 18% from N3.5 trillion to N4.1 trillion while loans and advances of the Group grew by 11% to close at N2.1 trillion as at December 31, 2017, largely on the back of the currency devaluation in the second half of 2016. Customer deposits increased by 7% to N2.2 trillion from N2.1 trillion recorded in 2016.

As a Group, strong capital and liquidity are considered necessary enablers of sustainable growth and profitability. Our capital position remains strong at 20%, well above regulatory minimum and has been an effective catalyst for absorbing macro shocks and providing sufficient headroom to leverage market opportunities.

During the year, the Group made great strides towards re-designing its systems, keeping our customers at the core, so as to effectively cater to their increasingly sophisticated needs. We continued to ensure the implementation of the Group's digital banking strategy to achieve:

- (i) Significant customer acquisition.
- (ii) Seamless, omni-channel customer experience.
- (iii) Accelerated customer migration to alternative e-channel platforms.

Our overall performance underscores our commitment to the continued execution of our strategy; to generate sustainable economic returns, while maximizing shareholder value. It further demonstrates our competence and ability to adapt to regulatory and market changes.

The outlook for the Nigerian Banking sector was fairly positive mid-way through 2017, and while we acknowledge risks, I am confident that as a Group we are financially sound and will remain so through the course of 2018.

Refreshed Purpose and Strategy

The year 2017 was pivotal for our Bank, as we concluded our 5-year (2013-2017) corporate strategic plan, to rank top 3 on a balance scorecard basis in the industry. We achieved a significant level of success with respect to most of the indices, as a result of our discipline, hard work, and commitment to our strategic objectives.

2018 marks the continuation of our journey and will take us to our next destination – Africa's Gateway to the World. This will be the year to redefine our market positioning, not only in Nigeria but across our continent, as we commence the implementation of our next 5-Year Corporate Strategy.

Our path to #1 in Nigeria and the world's most respected African Bank will be built on six elements:

- **Retail Banking Growth & Wholesale Banking Consolidation**, to dominate rising middle segment and capture growth in other deposit rich, transaction segments.
- **Digital Led Bank**, with focus on enhancing consumer experience through automation of processes along the customer experience journey.
- **Customer Focused Bank**, putting the customers first by providing them with positive experience coupled with tailored offerings at every point of contact.
- **Analytics Driven Insights and Robust Risk Management**, achieved by leveraging data driven insights from advanced analytics drive deeper customer understanding and make on-point decisions.
- **Global Collaboration**, by identifying and pursuing opportunities particularly in trade, payments and correspondent banking.
- **Universal Payments Gateway**, to be a global payments solutions provider and the dominant intermediary for payments across Africa by developing proprietary solutions and partnerships.

Now is the time for execution, for capitalising on the progress we have made, and to seize the opportunities before



us. I am certain with a clear commitment to our values, we will attain our goals.

LOOKING FORWARD

Although economic uncertainties and changing regulation present challenges, I believe that we have the right strategy to build upon our current momentum and emerge as a leading institution. Indeed, the year ahead presents a defining opportunity for us to break new grounds and move closer to our goal of becoming the world's most respected African Bank.

Though we have made significant progress in delivering on our growth objectives, more work lies ahead to ensure that we are well-positioned for longer-term value creation. This year, we will place greater emphasis on growing our retail franchise, cost discipline and proactive risk management as

key drivers for enhanced bottom-line growth.

The strategies laid out for 2018 and beyond, will also see a combined focus on leveraging our enlarged corporate and retail customer base and our balance sheet a lot more efficiently to attain our objectives.

Our management team and employees have built an exceptional organization that is one of the most trusted and respected financial institutions in Nigeria. Their dedication, fortitude and perseverance made it possible.

Esteemed shareholders, I seek your support as always for this next phase of our journey to transform the Bank. Guided by our solid strategy, I believe that Access Bank is ready and well equipped to deliver sustainable long-term success and take the lead in 2018 and beyond.



02

BUSINESS REVIEW

Reports of the
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Corporate
Philosophy

Business
Banking

Personal
Banking

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Sustainability
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An analysis of Access Bank's 4 Business Divisions, Risk Management Framework, Our People, Culture & Diversity and Sustainability

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CORPORATE PHILOSOPHY



Our Vision

To be the World's Most Respected African Bank.



Our Mission

Setting standards for sustainable business practices that unleash the talents of our employees, deliver superior value to our customers and provide innovative solutions for the markets and communities we serve.



Excellence

- Surpassing ordinary standards to be the best in all that we do
- Setting the standard for what it means to be exceptional
- Our approach is not that of excellence at all costs— it is excellence on all fronts, so that we deliver outcomes that are economically, environmentally and socially responsible



Innovation

- Pioneering new ways of doing things, new products and services, new approaches to customers
- Being first, testing the waters and pushing boundaries
- Anticipating and responding quickly to market needs with the right technology, products and services to achieve customer objectives



Leadership

- Leading by example, leading with guts
- Being first, being the best and sometimes being the only
- Challenging the status quo



Passion for Customers

- Doing more than just delivering excellent customer service
- Helping people to clearly understand how our products and services work
- Treating customers fairly. Building long-term relationships based on trust, fairness and transparency.



Professionalism

- Putting our best foot forward in everything we do, especially in high pressure situations
- Consistently bringing the best of our knowledge and expertise to the table in all our interactions with our stakeholders
- Setting the highest standards in our work ethics, behaviours, activities and in the way we treat our customers and, just as importantly, one another



Empowered Employees

- Based on shared values and vision
- Developing our people to become world-class professionals
- Encouraging a sense of ownership at individual levels, whilst fostering team spirit and commitment to a shared vision



REPORTS OF THE EXTERNAL CONSULTANT

Summary Report on Corporate Governance Review for 2017 Financial Year Pursuant to the Central Bank of Nigeria's Code of Corporate Governance

Dated Thursday, February 22, 2018.

We have completed an assessment of Access Bank's corporate governance structure and practices as well as an evaluation of the Board and individual directors against the Central Bank of Nigeria's Code of Corporate Governance. There was no change in the requirements of the Code of Corporate Governance in respect of the duties, structures and responsibilities of the Board during the year.

As at 31st December 2017, the Board of Directors of Access Bank Plc was made up of seven Executive and eight Non-Executive Directors, four of whom were Independent Non-Executive Directors. During the year, there was one retirement and one resignation from the Board and four appointments to the Board. The composition of the Board is in line with the regulatory requirements in terms of number of Executive Directors relative to the number of Non-Executive Directors with the inclusion of Independent Non-Executive Directors.

The Board of Directors has established and approved principles, rules, practices and processes by which the Company is operated and governed.

Our assessment entailed the review of activities of the Board and Management during the year ended 31st December 2017 for compliance with the Bank's governance principles, rules, practices and processes as well as regulatory requirements.

Individual and peer assessment feedback from Board members, indicate that they understand their fiduciary duties and roles in providing financial oversight and enhancing shareholder value.

We reviewed the minutes of the meetings of the Board and Board Committees as well as examined documentation of Board actions and processes during the year. The Company's Memorandum and Articles of Association, Board Terms of Reference, Board papers, Risk Management Framework, Communication Policy and Code of Ethics were also reviewed. In addition, key principal officers of the Company were interviewed with respect to the Board practices. Documentation of meeting minutes, policies and frameworks reviewed indicates that the Board demonstrated understanding of responsibilities stated in the Central Bank of Nigeria's Code of Corporate Governance and complied with the Company's governance arrangements.

Yours Sincerely,
Accenture Limited

Toluleke Adenmosun
Managing Director, Financial Services

Summary Report on Corporate Governance Review for 2017 Financial Year Pursuant to the Securities and Exchange Commission's Code of Corporate Governance

Dated Thursday, February 22, 2018.

We have completed an assessment of Access Bank's corporate governance structure and practices as well as an evaluation of the Board and individual directors against the Securities and Exchange Commission's Code of Corporate Governance. There was no change in the requirements of the Code of Corporate Governance in respect of the duties, structures and responsibilities of the Board during the year.

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Yours Sincerely,
Accenture Limited

Toluleke Adenmosun
Managing Director, Financial Services



COMMERCIAL BANKING

Our key asset is our people consisting of vibrant, empowered and customer-centric professional business managers.



Commercial Banking Division ('CBD') has grown over the years to become a formidable force within the financial markets in which we play. As we unveil our 5-Year Strategic Plan and look to the future, we will continue to provide innovative and sustainable banking services that empower us to create the secure tomorrow we all want, while offering unequalled value to our clients, partners and markets, as well as the communities we serve.

We maintain a pivotal position that is at the forefront of the Bank's strategic growth plan. We have consistently achieved sustainable growth by adopting a two-pronged approach of widening our customer base while deepening our market share within each sector. As a business, we pride ourselves in being the Bank's flagship division, constantly re-engineering our processes in an efficient manner to deliver Speed, Service and Security.

The Commercial Banking Division focuses on incorporated companies with a turnover of N1 billion and above (excluding companies that meet Corporate and Investment Banking Division's customer criteria), Federal Govern-



ment Ministries, Departments and Agencies as well as State and Local Governments.

The Division's target market includes companies that are within the Corporate and Investment Banking Division's value chain, as well as Federal, State, and Local Governments. Specific target customers include Asian companies in key sectors and industries; select States and cities, manufacturing companies, consumer, hospitality and lifestyle companies and contractors in select sectors.

Our business focus is segmented across five major markets, with the aim of delivering a unique service experience at each touch point. The focus areas cover:

1. General commerce and trading
2. Manufacturing
3. Construction and contractors
4. Hospitality and lifestyle
5. Public sector

This focus is driven through the development of sector hubs in various geographical zones within the country which provide a bird's eye view of the unique business environment in each locality.

In building a sustainable business model, the Division has created several specialized desks which include:

- 1. The Agriculture Desk** - to cater for the diverse opportunities in the agricultural sector. Now more than ever before, the Agriculture Desk is poised to continue to play a pivotal role in driving economic development through support for agriculture-based initiatives in the coming years.
- 2. The German Desk** – to expand the opportunity for trade volume growth and collaboration between German and Nigerian SMEs. It shall also provide an agency relationship between KFW DEG (the German based Development Finance Institution) and our German clients.
- 3. The Chinese Desk** - to expand the opportunity for trade volume growth and collaboration between Chinese and Nigerian SMEs.

In order to fully serve our market segments, the Division is sub-divided into six Groups that are spread across strategic locations across the country's six geo-political zones. They are:

- CBD, Lagos

- CBD, Abuja
- CBD, North
- CBD, West
- CBD, East
- CBD, South

Furthermore, each business segment is supported by sector champions who have developed specialised skills to cater for the needs of these markets. This ensures we continually provide bespoke products and innovative solutions that guarantee our dominance as the preferred business partner of our clients and enable us to ultimately achieve our aim to become the World's Most Respected African Bank.

To support business strategy, our operational structures are designed to consistently train and enhance the skills of our staff. The Bank runs a Key Talent Programme aimed at challenging, retaining and nurturing our brightest minds, while equipping them with the requisite market intelligence and exposure that make them outstanding among their contemporaries. Our staff embody the Bank's core values of Leadership, Excellence, Empowered Employees, Passion for Customers, Professionalism and Innovation. In addition, the Division strives to create equal opportunities for employees irrespective of gender or race.


The Division remains committed to giving back to the various communities in which we serve through our various Corporate Social Responsibility initiatives. We have built enduring partnerships with renowned Non-Governmental Organisations such as the Down Syndrome Foundation of Nigeria, while working with our customers to champion capacity-building initiatives and gender empowerment programmes. We charge ourselves with the responsibility to build a better society with a strategic focus on health, safety, education, sustainable environments and social welfare.

As the driving force behind much of the Nigerian economy, the large-scale commercial sector provides the framework that can positively shape our future. We are proud of our role in helping to develop this sector in Nigeria, across Africa and beyond, even in the face of challenging circumstances.



BUSINESS BANKING

The Business Banking Division is a hybrid of the Commercial and Personal Banking Divisions. It focuses on Small and Medium-size Enterprises (SMEs), providing them with business solutions to support their growing business needs. The Division delivers commercial banking products and services to SME customers with an annual turnover of less than N1 billion.



The strategic importance of SMEs in delivering a brighter tomorrow cannot be overstated. They are the engine room and catalyst for economic development of the country, employing the highest number of staff and accounting for well over 90% of formal businesses in Nigeria. This has informed Access Bank's decision to give special attention to this vital segment of the economy via our Business Banking Division.

In addition, the Division focuses on customers that are within the Bank's Commercial, Corporate & Investment Banking Divisions' value chain. This business segment includes Distributors and Dealers, Travel Agencies, Professional Firms, Importers and Exporters, Traders, Oil and Gas Companies, Educational Institutions, Hospitality, Healthcare Providers, Religious Organisations and Contractors.

With its global perspective, the Bank was, as so often, one of the first to recognise a trend: the role driven, innovative female entrepreneurs are playing in the ever-changing Nigerian economy. We have long known that women-owned SMEs are growing at a faster rate than the economy as a whole



in several countries, including Nigeria, allowing educated and trained women to capitalise on their skills when they might otherwise be blocked in corporate advancement due to the "glass ceiling". The increased flexibility inherent in owning their businesses allows women to contribute to the income of their families while balancing work and family responsibilities. This has led to the customised banking solution for this business segment. The "W" Initiative was unveiled in July 2014 to offer women exclusive access to a wide range of lifestyle-oriented, value-adding benefits and privileges.

Another key and strategic business segment with huge but untapped potential is the cluster of businesses owned by the ever-increasing Asian community in Nigeria. Again, we welcome them in our quest to create a new future, and are doing our utmost to help them along the path to a better tomorrow.

The Business Banking Division uses innovative products and services to achieve competitive edge when reaching and retaining customers. This was demonstrated in 2014 by our employment of a consultative

approach in various engagements with stakeholders within the SME market space. One of these is the 'Power Breakfast' meetings, where SME owners, select government or regulatory authorities, experts in various fields of endeavour as well as top officials of the Bank, exchange experiences and ideas that can greatly benefit all parties.

With our extensive branch network, multi- and alternative-distribution channels, competitive pricing, wide array of products and committed professionals, the Business Banking Division is well-poised to meet the aspirations and banking needs of SMEs.

What we have accomplished in partnership with our valued customers is considerable, but incomparable to what we plan to achieve in the coming months and years. In Business Banking as elsewhere, we will take the lead and chart new courses. With our customers' satisfaction at the heart of our operations, we are set to take tomorrow together.



PERSONAL BANKING

The determination to build a sustainable future and deliver superior value to our customers remains the compelling force behind the Personal Banking Division.



Over the years, we have bolstered the offerings to our retail clients through a customer-centric approach to service which has continued to set us apart in the industry. Our differentiation has been sustained through the wide range of innovative financial and lifestyle solutions designed and refreshed to suit the varying needs of our clients.

Our Products and Segments Group manages and fosters the Bank's relationship with customers through an array of integrated products and services that suit every unit in a family; children, women, youth, seniors and the affluent customers. Alongside, the Private Banking Group sustains the relationship with the Ultra High and High Net worth customers through personalized wealth management solutions and services.

Our customers also enjoy financial advisory services provided by our dedicated relationship and segment managers which equip them with the rudiments of personal financial management and planning that help them navigate a recovering economy.

Providing innovative solutions for a sustainable future is our key driver in 2018 and we are committed to developing a revolutionary business that will accelerate our journey to becoming the World's Most Respected African Bank.



FRANCHISE

The Franchise Group provides remittance services through International Money Transfer; fast-tracks seamless collections of utilities and Government revenue and provides financial services to development agencies such as embassies and Non-Governmental Organisations (NGO).

In our journey towards becoming Africa's Payment Gateway to the World, we enabled over 1,000,000 customers, send and receive funds to and from their families, friends and business associates across the world through various platforms such as Western Union, MoneyGram, Ria Money Transfer, Earthport and Cross Border Transfers to and from Ghana.

The facilitation of collections for utilities and Government revenue increased significantly with the Bank winning additional mandates in different geopolitical zones across the country. Given our reputation for quality service delivery with key State Governments and Institutions, strong relationships were deepened and we were appointed lead agents for collections in additional States.

We proactively deployed robust technology for the States to simplify revenue collections and helped them actualize their specific business objectives.

LENDING SOLUTIONS

Our commitment to supporting our customers with innovative products and lending solutions that meet their personal, financial and lifestyle needs remain very strong. The robust bouquet of offerings include Personal Loans, Vehicle and Asset Finance, Mortgages, Credit Cards among others that are well adapted to the peculiarities of our various customer segments.

The Bank explored new capabilities by leveraging digital technology to bridge funding gaps for salary earners (both account holders and non account holders) nationwide. This enabled instant disbursement of loans via our USSD platform *901# with minimal documentation requirements.

The lending activity on our Personal Loans continued to grow steadily as employees in the private and public sectors rely on us to meet their financial and lifestyle needs.

These feats among other laudable value propositions to our customers, further position the Bank as a dominant player in the retail banking space in Nigeria and across Africa.

Our strong pedigree in Vehicle Financing and partnerships with leading automobile dealerships in the passenger and commercial vehicle segments enabled us support individuals and businesses to acquire new vehicles in a cost-effective manner. The new partnership with GAC Motors in Nigeria, ensured that our clients had even more options to choose from in their vehicle purchase process.

In line with the aspiration of the Bank to be digitally-led, the frontiers of product development and innovation are being challenged, as we strive to evolve greater levels of capabilities and solutions on the back of technology to serve our customers with more convenient, flexible loan products that meet a broad spectrum of needs.

PRIVATE BANKING

The Bank's Private Banking clients enjoy exclusive product offerings through innovative and sustainable financial solutions

From basic banking products and services to elite financing structures and programmes, we are committed to understanding the evolving needs of our clients while providing unmatched personal service that exceed their expectations.

We once again demonstrated our commitment to providing best-in-class solutions to our premium clients by the launch of the 'Access Visa Infinite Metal Card' which delivers unprecedented levels of service and outstanding benefits for a limited few.

Against the backdrop of volatile economic realities, we consistently created opportunities for our clients to surpass their personal wealth management goals and objectives through the introduction of the Fixed Rate Deposit Advantage (FRD Advantage); a high-yield investment option that assures wealth preservation in a fragile economy.

Our dedicated Relationship Managers go the extra mile to build long term relationships with our high net worth clients based on knowledge, trust and accountability which is geared towards establishing a secure and predictable tomorrow.

PRODUCTS AND SEGMENTS

Bringing the customer to the heart of what we do is what the Products and Segments Group seeks to achieve through a segment focused approach.

The segment-to-serve approach underpins our model for banking individuals and fostering financial inclusion. The core of our differentiation lies in our deep industry knowledge, passion for customers and desire to see them achieve their goals and objectives unhindered, while delivering superior and sustainable business results.

We have a strong focus on women, children, youths as well as seniors, employees and affluent professionals.

With the goal of financially including the everyday Nigerian, this year saw the Group bring to light a refined approach to banking for families.



This was evident in the initiatives deployed under the 'Family Savings Scheme'. The scheme was designed to encourage families to save together and access exclusive privileges while they continue to enjoy the confidentiality of their banking relationships, manage their accounts as unique individuals and get rewarded together.

Participation in the 'Family Savings Scheme' fostered families to adopt a healthy financial lifestyle.

Tens of thousands of families participated in the scheme with 2,800 families winning gifts ranging from family home, family car, family vacations, scholarships, generators and other exciting prizes in the first season of the scheme.

CHILDREN BANKING

A critical element of the Bank's overall strategy is to ensure that we actively participate in nurturing our future customers, shareholders, and staff members. Thus, the Children Banking business provides a bouquet of financial solutions that help children develop the capacity to make informed money decisions.

We agree with the Organization for Economic Co-operation and Development (OECD), that "people should be educated about financial matters as early as possible in their lives". Thus, our children banking strategy for raising a generation of financially savvy children is multi-faceted.

- **Early Savers Club:** Since its launch, the Club has grown its membership base in schools, faith based organizations and children-focused clusters where we deploy our game-based financial literacy kit, at no cost.
- **Holiday Banking for Children:** This initiative was borne out of the need to promote financial inclusion and literacy for children between the ages of 5 to 16.

Since its commencement in 2014, it has hosted over ten thousand children who were exposed to hands-on banking experience for the first time. The initiative equips children with financial capabilities that will guide them throughout their lifetime.
- **Annual Celebrations:** By actively participating in annual celebrations such as the Global Money Week, Financial Literacy Day, World Savings Day, and Children's Day we were able to empower thousands of children with financial literacy.
- **1-Child-1-Bank Account Initiative:** We reached out to vulnerable and out-of-school children through the 1-Child-1-Bank Account initiative – designed to help orphans and vulnerable children as well as children of parents with limited

financial resources gain access to formal financial services working with Government, NGOs and philanthropic individuals.

- **Periodic Newsletters and Magazines:** In addition to an active microsite www.earlysavers.accessbankplc.com, we educate, entertain and inform children on money management skills through quarterly edutainment newsletters.

In recognition of parents as an integral part of building life skills for children, they are also kept abreast of product updates.

- **Early Savers Teens Card:** The latest in our value proposition to children is the Early Savers Teen card – a prepaid card designed to provide teenagers with a practical way of embracing money management. The card enables children carry out basic independent transactions that help them imbibe financial accountability and financial planning at an early stage in life.

YOUTH BANKING

We repositioned our offerings to suit the youth segment by creating innovative value propositions and modifying existing products to create value for Nigerian Youths.

CAMPUS HUBS

We revamped 22 campus branches nationwide with the objective of creating a vibrant youth appeal that aligns with the ever evolving needs of the millennial.

The energetic look, tone, style and ambience of the campus branches which have now been renamed 'Campus Hubs', align with the aspirations and passion of youths.

The upgrade translated to increased activities, positive word of mouth and the overall acceptance of the brand as the choice financial brand for Nigerian students.

BUSINESS RESTRUCTURING

In recognition of the business viability of the youth and campus ecosystem, we realigned internally and implemented a more efficient business strategy to enable us meet the dynamic needs and deepen our relevance in campuses and youth ecosystem.

Our objective is to create ambassadors in the Youth segment through an endearing brand; youth clients who will advocate for the brand, remain loyal and bring their friends.



This ensures we generate long-term value for them and their ecosystem.

INNOVATIVE VALUE PROPOSITIONS

The value propositions and features of the Bank's youth product were enhanced by

- Increasing the digital channels for seamless banking transactions
- Integrating rewards and consistent engagement as a core part of our engagement model
- Promoting co-creation platforms that enable us create suitable offerings that are not transient. One of such offerings is the student lending scheme that ensures they focus on their education whilst their financial needs are being catered for.
- Partnering with youth focused organisations across the nation through capacity building programmes such as career fairs and entrepreneurial workshops.

Through the digital development cafes, in collaboration with the Africa Fintech Foundry, we were able to provide the capital empowerment and the right exposure that youths require to make significant contributions towards the development of the Nigerian economy.

WOMEN BANK

We have also stimulated economic expansion through a 58% growth in Access to Finance for women owned enterprises, up to N7.3 billion and a 308% growth in lending to female individuals by helping them bridge financial needs up to N5.1 billion. The initiatives we deployed across clusters and women ecosystems contributed to a 46% growth in the Bank's women portfolio.

Referred to by experts as the banking product that delivers babies, the first of its kind, our Maternal Health Service Support (MHSS) has helped scores of women complete their families and access quality healthcare by financing medical and fertility treatments for women amongst others. Driven by the passion for improved maternal health, we developed partnerships with Fertility Clinics and health institutions across the country.

In 2017, we participated in 60 women-focused events and hosted 11 capacity building sessions that reached 102,500 women. These were achieved through the W Academy capacity building sessions, networking programmes and IVF fora amongst others.

Our certified programme, the 'Womenpreneur Business

Workshop' in conjunction with the Enterprise Development Centre of the Lagos Business School, has bridged business and managerial skills gap amongst thousands of female entrepreneurs.

The activities of the W community were spread through Sub-Saharan Africa and across the web to social media platforms. We have provided more than 2 million female customers and women around the world with access to the educational and informative articles on capacity building and networking events. We also provide timely updates on developments that affect their personal and family lives, careers and businesses. Several women have had reasons for repeat visits to the website and extended invitations to their friends.

The year 2018 will see us sustain our relevance in the women's market with initiatives that will set us apart and deliver substantial business results for the Bank.

EMPLOYEES AND AFFLUENT PROFESSIONALS

We offer bespoke financial and advisory services to employees and affluent professionals through our Everyday Banking Product. We are intent on helping affluent Professionals and the Employees of Corporates and SMEs optimize their active and productive days. We have also streamlined our business model to better serve this class of customers.

We are able to provide employees and affluent professionals with swift and hassle-free financial solutions such as the Automated PayDay Loan.

In furtherance of our goal to serve employees, rigorous research and efforts were undertaken to ensure bottle necks encountered in accessing finance are eliminated and as such quick loans can be accessed at their convenience in minutes via the USSD (*901*11#), irrespective of their salary band. In its first 4 months of commencement, up to N2.5 billion finance capital was provided to meet their pressing personal needs. This game changer provided comfort and convenience to employees in a recovering economy.

Hundreds of thousands of employees were supported with information on financial and lifestyle products and services as well as career enhancement information via our monthly publication "LOOP".

We have achieved greater awareness in the target market as well as an improved business performance by revamping our product offering. An additional 800 corporates and more than 150,000 employees in Nigeria have trusted us to provide a secure financial future by making the switch to the Everyday Banking Product.

BUSINESS DEVELOPMENT GROUP

The Business Development Group supported the attain-



ment of the Bank's retail banking aspirations through collaborations with third party institutions and by leveraging digital technologies. In line with our commitment to innovate for a sustainable future we provided 3 innovative solutions for the retail market and communities:

- Agency Banking
- Airtel Partnership for financial inclusion
- PayDay Loan Collaboration with ePayment providers

Our Agency Banking business enabled us to increase our service footprints and take banking services to the customers in their own communities. We also made significant progress in promoting financial inclusion by helping to reduce the challenges that have kept over 40 million Nigerians out of the formal banking space.

In the first 8 months, customers who were previously financially excluded are now able to bank with us through 2,000 agents across Nigeria and these touch points are set to grow to more than 7,000 agent outlets by the end of 2018.

To further advance the financial inclusion agenda, we

leveraged mobile technology to give unbanked and under-banked customers access to financial services. This led to the creation of digital accounts for 2 million Nigerians who now have access to formal financial services.

In addition, leveraging our digital collaboration with two leading e-payment companies and FinTechs, we launched a digital lending service – 'Pay Day Loan' for salaried employees on October 2017. In its first 3 months, over N2.5 billion was disbursed to 190,000 employees.

Today, millions of Nigerian workers can now access instant loans of up to N500,000.00 by simply dialling the USSD code, *901*11#, from their mobile phones or by visiting the PayDay Loan website (www.mypayday.ng). No collateral or additional documentation is required.

The year 2017 provided us an opportunity to set up enabling processes and to test key concepts for the next growth phase of our retail business. In 2018, our focus will be to fully actualise and optimise the benefits of the digital initiatives to serve our customers.

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SPEED SERVICE SECURITY



CORPORATE AND INVESTMENT BANKING

We provide financial solutions to large corporations and financial institutions occupying prime positions in the Nigerian economy.



Our range of financial services cover project finance, corporate lending, cash management, capital markets and advisory services. These services are offered along distinct industry lines, and manned by financial specialists in Oil and Gas, Large Conglomerates, Infrastructure, Treasury and Financial Institutions Groups.

Oil and Gas Group

The Oil and Gas Group operates an integrated one-stop Energy Desk that provides customized financial products and services to the oil and gas industry.

Access Bank has carved a niche for itself in the industry and has become a market leader in the financing of energy projects through provision of innovative funding solutions to players in the upstream, midstream and downstream sectors. This is predicated on the Bank's resolve to lead sustainable development and support Nigeria's fast growing energy sector particularly the upstream sector because of its attendant impact on economic development.



As part of our intent to lead development and support in the energy sector in Nigeria, we partnered with the Nigerian National Petroleum Corporation ('NNPC') in the Incorporated Joint Venture Financing Scheme to finance ongoing field development optimization projects with the various International Oil Companies ('IOCs') that the NNPC has strategic partnership with in Nigeria.

The focus of our Upstream arm is to engender a formidable partnership with the multinationals and their various local content contractors through innovative financing schemes. We leverage our stellar knowledge of the industry operating environment to partner with IOCs in areas of renewable energy and investment in profitable energy solutions to produce safe and reliable energy.

Our Downstream arm is at the forefront of providing bespoke trade finance solutions and advisory services to clients involved in the Downstream Sector. Our products cover the entire value chain. Some of these solutions include creation of foreign exchange forwards to help our customers hedge their foreign exchange risk as it relates to the importation of petroleum products and establishing master letters of credit for large scale imports.

We have also played a major role in the development of strategic industry infrastructure in the mid-stream sector, with our continued support for pipeline and gas infrastructure in line with the revised Gas Master Plan blueprint.

Overall, the Oil and Gas Group ensures that its operations are in line with international environmental sustainability principles, and global best practice. This has seen Access Bank emerge as a recipient of several accolades, one of which was the "Best Bank on Sustainability" for Oil and Gas related transactions in the Banking Industry for 2017 which was awarded by the Central Bank of Nigeria.

Large Conglomerates Group

The Large Conglomerate Group focuses on top-tier manufacturing companies that are engaged in the food, beverages, personal care, cement and building materials segment of the economy. Our clients include multinationals and indigenous companies whose operations span across various segments of the Nigerian economy, and transcends international boundaries.

We build enduring partnerships with our customers, by developing financial solutions that meet their long term needs. This is achieved through the deployment of unique and innovative products and services that support sales growth while enhancing operational efficiencies.

Over the years, we have carved a niche in the industry as market leaders in the deployment of bespoke trade products to meet the requirement of our clients. During the 2017 financial year, we worked with several clients to develop unique digital banking platforms and alternative chan-

nels that eased collections and payment processes, and enhanced customer experience and profitability. We also deployed multi-payment platforms that provided convenience and efficiency in port collections thereby addressing the perennial challenges of port congestion.

Our deep understanding of our clients' ecosystem and deployment of sustainable products and services have led to a significant growth in their businesses and enhanced market visibility. We have through our drive for sustainability held several capacity building programmes for key distributors of our clients. This has also helped in de-risking their value chain.

Infrastructure Group

The Infrastructure Group is charged with the task of implementing the Bank's vision to lead the drive for development of the country's infrastructure and bridging the significant gap that exists in three major sectors of: power, transport and telecommunications.

In 2017, we offered a wide-range of financial advisory solutions to players in the power and infrastructure sectors. We continued to work with State Governments as well as players in the private sector to find sustainable solutions to the pervasive lack of adequate electricity across Nigeria. The Bank actively participated as the only bank on the Technical Committee of the Lagos State Embedded Power Programme, a three-year plan to achieve regular power supply for the State. This initiative will deliver additional 3,000 mega watts of power through accelerated deployment of various embedded power plants in strategic locations and boosting economic activities of the State. The findings of the committee was utilized in developing the Lagos State Electric Power Reform Bill, which will be signed into law in the first quarter of 2018. We intend to continue to play a lead role in the successful implementation of this project as it will bridge the huge gap between energy demand and supply in Lagos State.

Our experienced and dedicated Relationship Managers in the Transport Sector provide support to international and local airlines as well as marine and automobile companies. We designed a tailor-fit FX Solution that addressed the pertinent requirements of the international airlines for FX remittance, cash management and trade services. The solution in itself helped to restore the confidence of international airlines, thereby leading to the re-opening of flight frequency that was previously cut back. This enabled us to sign on new international airlines in 2017. We will continue to consolidate and grow our market share in this sector in 2018.

We continued to leverage our strong understanding of the ecosystem in the telecommunications sector through sustainable innovations that saw us maintain our dominance of this sector. We have built strategic partnerships with key



Mobile Network Operators, their trade partners and dealers, key vendors and original equipment manufacturers, and their entire value chain over the years. With our bouquet of products and services tailor-made to suit the peculiar banking needs of players in the sector and our robust value chain strategy, we ensured we consolidated on our reputation as the bank of reference in this sector.

Access Bank will continue to deploy resources to these sectors, as it is our firm belief that these will remain key drivers of economic transformation in Africa in the foreseeable future.

Financial Institutions Group

The Financial Institution Group is your “One-Stop Financial Services Shop.” We manage business relationships with Financial Institutions, including leading Development and Investment Banks as well as Insurance companies, Pension Funds, Stockbrokers, Registrars and Trustees among others.

Our team provides Global Relationship Management Service offerings including Settlement and Correspondent Banking Services, Cash Management, Trade and Project Finance. We also offer structured hedging solutions such as FX Futures, Forwards and Swaps.

Some of the key strategies deployed by the Group in 2017 FY include:

- Hosting a first-of-its-kind Broker-Dealer Forum for prime brokerage customers. The forum was designed to create awareness for this market segment and also ensure closer engagement with market regulators in a bid to standardize market practices and create room for new entrants thus achieving further expansion of this segment.
- Launching Bank One Correspondent banking application software designed to replace the laborious manual process in our correspondent banking service with an innovative automated end-to-end process.
- Offering cheque truncation services; this process enabled the reduction of paper usage. In addition to this, we implemented a cheque truncation option embedded into our PrimusLite platform.

Project & Structured Finance

Our Project and Structured Finance (PSF) Group is a leading and evolving financial advisory, debt arranging, and agency services provider. The Group supports the Bank's clients by providing a full range of tailored financial solutions by leveraging the expertise of its experienced staff and strong relationships with local and international financial institutions and professional service firms.

We have developed strategic partnerships with several Development Finance Institutions for the purpose of providing medium to long term innovative and sustainable funding solutions at very competitive pricing to eligible clients. These include notable relationships such as the Netherlands Development Company (FMO), European Investment Bank (EIB), African Development Bank (AfDB), International Finance Corporation (IFC), Deutsche Investitions- und Entwicklungsgesellschaft (DEG) amongst others.

Treasury Group

The Treasury team, provides innovative solutions which are not only necessary for the sustainability of our business, but our customers as well. This guided our transactions and interactions with customers in the course of the year. We proactively offered hedging solutions to our teeming clients, including Forwards, OTC Futures and Swaps that provided the much needed foreign currency (FX) liquidity for our clients, whilst mitigating risks in a volatile FX environment.

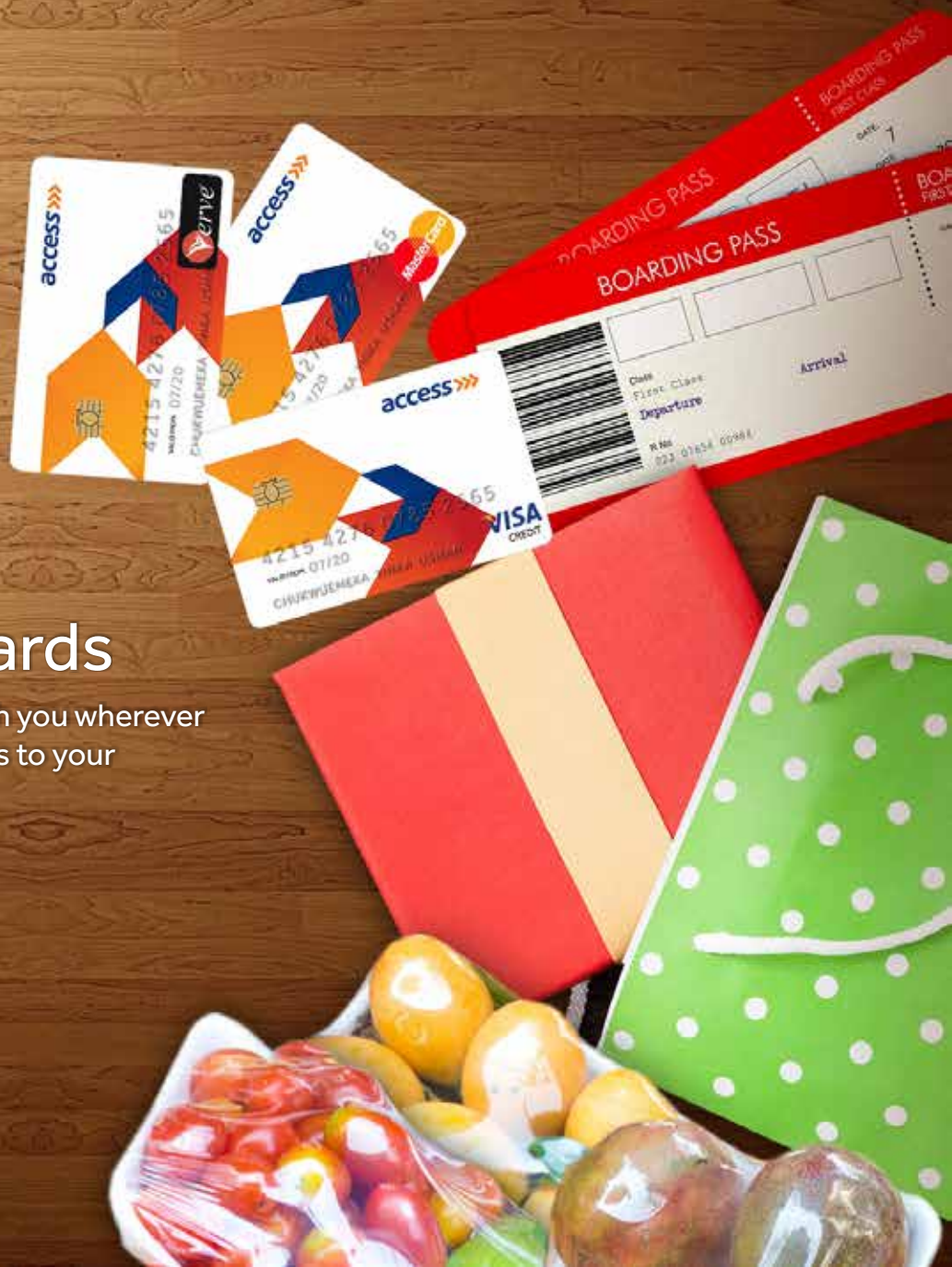
In the course of the year, we organized an FX seminar to assist market participants' – customers and regulators – come up with ideas on moving the FX market forward. Our Fixed Income team rolled out more best-in-class services via prime brokerage, sale and repurchase agreements and other yield-enhancing products for both local and foreign currency assets. We were in the forefront of market development, offering possibilities that redefined the whole spectrum of transaction negotiation, initiation and execution. This ensured that Access Bank consistently topped the Financial Market Dealers Quotations league table.

We developed a web-enabled Treasury Bills Platform that allows retail customers invest in Treasury Bills from the comfort of their homes via their mobile device on the Bank's website. This innovation was engendered by the increased awareness and consequent demand for such Fixed Income securities over the past couple of years. We also leveraged the social media to disseminate real time financial market updates to our customers.

We believe the future will be shaped through innovation and are poised towards achieving this.

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SPEED SERVICE SECURITY



TRANSACTION SERVICES, SETTLEMENT BANKING AND IT

Sustainability is now at the heart of many transactional banking services, with the move to card, mobile and online transactions all reducing the requirement for cash. Efficient 24-hour ATM access also reduces the need to carry money, while working with NGOs has greatly increased the availability of Mobile Money. In all of these areas, the Bank has made impressive strides in innovating for a sustainable and inclusive tomorrow and has the awards to prove it.

In 2017, Access Bank continued to offer a wide range of transactional banking services, including cash management, international trade services, card and web transaction settlements, mobile and online banking services.

The Bank consistently delivered on its promise of Speed, Service and Security through innovative and secure transaction platforms, a demonstration that exceptional service delivery is indeed an everyday reality for us in Access Bank.

A major focus for 2017 was to consolidate on the gains of 2016 by further enhancing our entire network and existing payments platforms by implementing features that address market needs while fully exploiting emerging opportunities.

During the year, we commenced operations in 10 new business offices within Nigeria to enhance our capacity to provide world-class services. We additionally launched our 21st century branch design to further improve the customer experience and provide access to 24-hour self service facilities.

Through the various creative initiatives implemented, there was a significant increase in the adoption and usage of our payment platforms. The Bank achieved 133%





growth in Mobile Banking adoption, 109% growth in transaction volume and the addition of two million cards to the Bank's card portfolio.

The Bank continued to maintain its dominant position in the ATM market space with the deployment of ATM services to strategic locations with high foot falls. By the end of 2017, the Bank had deployed 347 ATMs, bringing the total ATM portfolio to 1,830 ATMs, with 27% of these at offsite locations. In keeping with our tradition of providing innovative solutions, we invested in an ATM monitoring app that enabled us to ensure over 96% ATM uptime in the delivery of services to customers and non-customers of Access Bank. Today, Access Bank is the best rated bank for ATM Efficiency Ratio in the industry.

Access Bank moved from fourth position at the start of 2017 to close the year as second in POS transaction value. The Bank won several awards in recognition of the growth and stability of our e-payments platforms. These awards included:

- Most Digital-Forward Bank Across All Channels (InterSwitch)
- Fastest-Growing Payment Partner (InterSwitch)

- Excellence in Mobile Banking (New Age Banking Awards)

In our drive to deepen financial services, we consolidated our existing strategic partnership with the Federal Government and other Development Partners in the North East through our Mobile Money services. Three key International NGOs were signed on, namely Christian Aid, International Rescue Committee and the Food and Agricultural Organization (FAO). These partnerships resulted in 125% achievement of planned transaction value.

While 2017 turned out to be a very challenging year for the industry, occasioned by digital disruption, our resilience created the platform to deliver on all fronts. Various creative features, platform stability and transaction monitoring initiatives executed by the Bank improved our performances across all platforms.

In 2018, we will sustain and consolidate our existing leadership position in transaction banking and settlements. This will be achieved through streamlined, simplified and automated end-to-end processes, "always on" service channels, enhanced data analytics governance, and an enduring service delivery model consistent with our promise of Speed, Service and Security.

INFORMATION TECHNOLOGY (IT)

IT is at the heart of almost every innovation and therefore has a key role to play in a sustainable future. Within the Bank, it has promoted efficiency and stability. Looking outward, IT has made great strides in stabilising operations, guaranteeing reliability and generating confidence in all that we do, while also ensuring we can better work with partners, deliver new services and onboard new clients. That way, we foster a sustainable future economically, socially and environmentally.

The continuous evolution of IT has set the stage for an unprecedented digital transformation of financial services delivery, leading to an all-time high increase in the volume, value and velocity of financial activities across the globe. This has radically changed the landscape in which we operate. While this portends a new set of technology and business risks, it also presents the Bank with fresh opportunities and levers to meet the increasingly sophisticated expectations

of our customers.

Leveraging this wave of change, the IT Group has been able to secure tomorrow with dynamic and best-in-class solutions to underpin sustainable banking processes for the Bank and our customers around the globe.

Being an enabler to other divisions in the Bank, we have engendered stability across the back-end infrastructure, ap-



plications as well as internal and external channels. We also powered digitally led innovative solutions to provide optimised customer experiences and reduce risk across our entire solution landscape. In the last five years, the IT Group has revamped, upgraded and upscaled the Bank's technology infrastructure in readiness for the future. We have also implemented effective and proactive platform monitoring and management systems that have resulted in improved uptime and availability of our platforms.

In 2017, we reinforced our operational stability while ensuring the Bank's security as we conducted our daily activities. In addition, we implemented key projects that set the foundation for our digital banking and Finnotech strategies to grow the Bank.

Projects and initiatives executed during the year were focused on facilitating innovative and sustainable banking services in the current economy and underpinning sustained business growth. A combination of several vibrant teams in the Group executed these projects in line with the overall objectives, thereby supporting our transformation journey.

In securing tomorrow, the activities of the IT Group were focused on the objectives of creating and enhancing innovative and sustainable banking processes across the following areas.

STABILISING OPERATIONS

We have been able to improve platform uptime and availability with the deployment of proactive modular monitoring tools which have enhanced customer experience, resulting in an increased share of the customer's wallet. Some key initiatives implemented to drive operational stability on all platforms were:

- Implementation of the Enterprise Service Bus (ESB). This has reduced the cost and difficulty of point-to-point integration for our application portfolio. It also allows incremental adoption and data transformation across the years. This has led to faster integration with ancillary applications and publishing of secured Application Programming Interface for both internal and external solutions ecosystem collaborations.
- Improved integration with third party payment partners and processors.
- Rollout of a highly stable collection platform to drive electronic collections and improve customer payment and vendor fulfilment experience.

These initiatives ensured above 98% uptime across the Bank's channel applications and platforms.

SECURING THE BANK

To ensure seamless service, the IT Group engaged the services of Deloitte in setting up a Cyber-Intelligence Centre to act as a Security Operations Centre charged with surveying the IT landscape and checkmating security threats before they caused harm to our information technology assets. We have also concluded several standards and certifications, including:

- PCIDSS Certification: The global standard for card and payment security.
- ISO27001 Certification: The standard for Information Security.
- ISO 22301 Certification: The standard for Business Continuity Management.
- Implementation of two-factor authentication and other security capabilities on our payment platforms to enhance transaction security and boost confidence in our digital platforms.

GROWING THE BANK

In order to accelerate growth, it is essential to gain the trust of our business partners through ongoing operational excellence. In alignment with overall business strategies and vision, the IT Group executed strategic investments that are achieving desired business results and revealing new opportunities to increase business value.

We also improved ties with our strategic customers by providing technology solutions that help improve their banking experience, thereby further strengthening their loyalty to our brand. The provision of bespoke solutions to some of our key corporate customers are examples of initiatives in this space.

A robust collection portal, Access Collect, was also built and deployed. This has enhanced and simplified our collection process, providing a more convenient and friendly collections experience for our customers.

We have used our USSD Platform *901# and other digital channels to drive our salary-linked micro loan product, Pay Day Loan. In alliance with strategic partners, we were able to extend this loan product to a wider range of customers by leveraging innovative solutions integration and ecosystem collaboration.

The launch of the Bank's flagship Omni-Channel solution in December 2017 revolutionised the way we serve our customers, by providing a unified and seamless customer experience across mobile and internet banking platforms. This will be extended to Automated Teller Machines in 2018.



AFRICA'S PAYMENT GATEWAY TO THE WORLD

Looking ahead to 2018, we will continue to upscale and leverage our digital assets to provide easy-to-use access to world class corporate payment solutions for our customers. We will harness strategic digital partnerships to provide multiple remittance options for our customers to meet their local and international money transfer needs.

We will further consolidate our digital leadership strategies with the launch of cutting edge digitally powered financial services solutions that are customer-focused. This will be complemented with analytics and data-driven insights which will enable us better align our products and services to customers' expectations as well as improve risk management.



DIGITAL BANKING

By putting digitisation at the centre of what we do, Access Bank is delivering a sustainable tomorrow in all areas of our operations. To do so, we are introducing comprehensive policies and innovative solutions that are revolutionising the financial lives of existing customers while attracting millions of new ones. We are also extending this sea-change in the virtual sphere, with intelligent informational and transactional solutions that are providing a sustainable future in many more ways than had been thought possible.



Having firmly established innovation and digital transformation at the core of the Bank's strategic plan, we have continued to set the pace in three mission-critical areas: digitising the key customer-facing processes of the Bank; identifying, surfacing and operationalising game-changing ideas generated from within the Bank through the Basement and Digital Factory initiatives; and finally, sourcing, harnessing and commercialising externally located disruption from the larger technology ecosystem through partnerships and collaborations utilising our recently launched Africa Fintech Foundry initiative as an onboarding vehicle.

DIGITAL RISK MANAGEMENT FRAMEWORK

In the context of the Bank's digital ambitions, it's fitting that governance and control of all digital initiatives are strengthened to minimise the impact of risk on our digital product portfolio while supporting the rapid evaluation and mitigation of risk for newly introduced digital products now and in the near future.

A new comprehensive Digital Risk Management Policy provides us the framework to



identify and mitigate the inherent and potential risks in our digital portfolio. It serves as a starting point for dealing with fraud-related issues on digital platforms.

Digitising PayDay Loans and Account Opening

Over the last year, the Bank has optimised and digitised the loan process for salary-earning customers. The Bank's USSD (*901#) channel now serves as a platform to enable salary earners to receive instant loans secured against their pay day. With the value of loans disbursed to customers on this platform standing at over N1 billion, the initiative has since been extended by way of strategic partnerships with SystemSpec's Remitta product, to include non-Access Bank customers, bringing over two million salary earners into the scheme.

In the first half of the year, the account opening process was digitally enhanced with the implementation of a simplified instant account opening using our USSD solution (on the *901# code) to support our retail market storms. The Bank's reach and value propositions were extended and impacted a wider range of customers, who opened 45,000 accounts in the first phase of the retail campaign. Consequently, a new e-mail account opening platform (the first ever of its kind) was delivered which enabled the on-boarding of new customers via internally generated email. Prospective customers were able to receive their new Access Bank account numbers within 30 seconds, once their details were sent to the specified e-mail address.

In the month of October, the Personal Banking team used our various digital tools to sign on 2.8 million new customers.

Digital Factory, Basement and Africa Fintech Foundry

In addition to the PayDay Loan and USSD/e-mail account opening solutions above, the Bank has expanded on the Finnotech concept, previously encapsulated in the Basement ideation platform. Transforming ideas into digital solutions, the Bank's digital factory now delivers trending innovation, building solutions in response to challenges and opportunities facing the Bank.

One such solution identified by the Basement programme is "Tamara", an artificial intelligence-driven chat-bot designed to connect with and converse with millennial customers and prospects, giving them access to banking products and services using natural language processing and machine learning to mimic the tone and mannerisms of a human operator.

Tamara's ability to hold millions of simultaneous conversations, each one uniquely tuned to the requirements of the individual at the other end of the chat line, gives the Bank a unique combination of scale and customisation; an es-

sential quality when moving from the intimate to the mass market in a push to recruit and retain millions of customers over the next five years. To date, over N100 million worth of transactions have been carried out by users chatting with Tamara.

An extension of the Basement concept, the Africa Fintech Foundry (AFF) initiative offers a way to capture and direct externally generated innovation to the Bank's bottom line. Through organised developer-community events, such as the March 2017 edition of the Recode Nigeria hackathon, broad-based industry conferences such as the AFF Disrupt conference in December 2017 and growth-focused collaborations such as the current cohort of the AFF Accelerator programme taking place in the new state-of-the-art "Foundry" building between February and June 2018, the AFF identifies and selectively focuses the efforts of emerging fintech disruptors on working collaboratively with the Bank to increase customer value and reduce the Bank's cost-to-serve.

Ondigo

Finally, the recent soft launch of the Bank's all-inclusive Mobile Banking application, Ondigo, allows users to create virtual cards. Adult users can gift these virtual cards to their children and dependents, increase their savings and perform a wide range of other banking transactions. The product, developed using agile methodology, delivers incremental features such as account opening, inter-bank transfers and airtime purchase, among others, to an audience of millennials and digital citizens who prefer modern modes of interaction for their banking services.

The ongoing digital transformation of the Bank touches on all facets of banking operations and is underpinned by the current development of a continent-wide payments platform to facilitate intra-Africa trade for customers and prospects on the continent and beyond.



OUR PEOPLE, CULTURE AND DIVERSITY

At Access Bank we are unflinchingly committed to developing our people into world class professionals that are imbued with the highest standards of work ethics and are passionately committed to delivering excellent customer experience.

We continue to deploy best-in-class people management practices to attract, motivate and retain future African banking leaders. Our focus is to provide a work environment that fosters innovation, allows employees contribute to the Bank's sustainable growth and realize their career aspirations while setting standards in customer services.

In 2017, we implemented several employee engagement and capacity building initiatives that were geared towards preparing our employees for the anticipated challenges in the global and competitive market. We believe that investing in our employees will equip them for success in the future.

Top Management Capacity

One of the Bank's strategies is to provide employees with opportunities to develop themselves and ensure compliance with the competence requirement as prescribed by the Central Bank of Nigeria under its Competence Framework for the Banking Industry in Nigeria. Accordingly, we have adopted a top down approach and enrolled 40

management staff in the Chartered Banker MBA Programme with the prestigious Bangor University, UK. Upon successful completion of the programme, our employees will gain the triple award of an MBA in Banking and Finance and dual Chartered Banker status from Chartered Institute of Bankers of Nigeria and Chartered Institute of Bankers of Ireland. The Chartered Banker MBA programme emphasizes professional and vocational development and provides the participants with the understanding and skills required in 21st century banking.

Middle Management Capacity

The Bank in 2017 continued its partnership with Wharton Business School of the University of Pennsylvania leading to the training of 85 more employees under the Bank's Middle Management Programme. Over time, the programme participants have successfully championed various innovations across the Bank leading to significant process improvement and customer satisfaction.



Celebrating Our Employee

The 6th Annual CEO Awards was held on May 20, 2017. The Awards, themed 'AFRIGLAM', had in attendance over 300 customers and 700 employees of the Bank. The event was held to celebrate employees for their contribution in 2016 as well as motivate them to strive for a better performance in 2017.



5* Unit of the Year: Central Clearing



Profit Centre of the Year: Public Sector Group, Lagos



CEO's Employee of the Year: Hadiza Ambursa



Brand Ambassador: Amaka Ojinnaka



Innovator of the Year: Olubisi Ifemade.



Customer Service Staff of the year (clerical&non-clerical staff): Loveth Godwin



Cost Centre of the Year and CSR Project of the Year: Centralised Operations



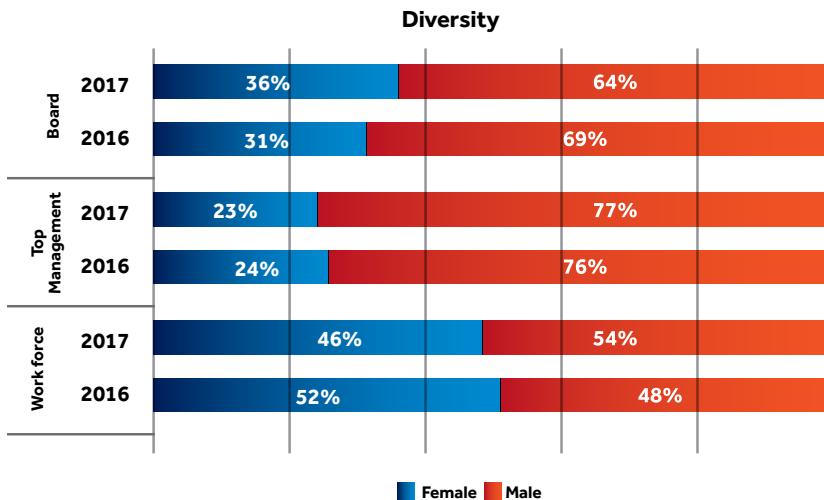
Volunteer of the Year: Edinyanga Engang.



Customer Service Staff of the Year (Officers): Alfred Falode

DIVERSITY IN THE WORKPLACE

As an equal opportunities employer, we continue to encourage the representation of women at all levels of the workforce.



EMPOWERING WOMEN

- a. **2017 Orange Lecture:** The Bank's Access Women Network in partnership with Genesis House, a Freedom Foundation initiative on November 24, 2017 organized a public event titled: Orange Lecture 'Violence against Women: 'Why it Matters and Why You should Care'. The event provided a robust platform for vigorous public discourse on the issue of violence against women and possible solutions.
- b. **Smearathon:** The event was held on Saturday, September 16, 2017 at the Muri Okunola Park in Victoria Island, Lagos in conjunction with Exquisite Magazine. It started with a work-out session led by a leading Nigerian actress, Kate Henshaw and included a walkathon. It also provided an avenue for pub-

lic enlightenment on cervical cancer and screening and counselling of the event participants. A total of 91 women from Lagos and environs were screened during the Smearathon.

- c. **Love a Child Initiative:** On February 12, 2017, the Access Women Network across the Group as part of its 'Love a Child' Initiative reached out to orphanages during the valentine season. Employees were engaged to donate cash and gifts to orphans within their community. Several branches of the Bank also visited orphanages within their vicinity to felicitate with inmates and provide them with gift items. A total of 158 orphanages were visited across Nigeria.

EMPLOYEE VOLUNTEERING

We continue to empower our employees to contribute positively to the development of our host communities. In 2017 the following are some of the highlights of our employees volunteering activities.

CATCH THEM YOUNG

The Information Technology Group's Employee Volunteering Project was tagged "Catch them Young". The Group adopted the Gbara Community High School, Lekki, with the objective of improving the student's academic performance particularly in the information technology domain. At the inception of the intervention, the school had a non-functional, dilapidated computer

laboratory. Through the project, the school's defunct computer lab was rehabilitated and equipped with computers, furniture, switch boards, UPS machines, projectors, printers and a standard internet facility. Employees from the Bank's IT Group also taught the students as professionals in the IT field using standardized tools that were aligned to the school's curriculum. About 800 students and 40 teachers benefitted from the initiative.



SKILLS ACQUISITION TRAINING

The year 2017 witnessed the successful completion of a 3-year Skills Acquisition Training programme commenced in 2015 by the Bank's Retail Operations Group. The programme was aimed at training and empowering disadvantaged women across Nigeria with vocational skills in catering, fashion or hairdressing.

The Group partnered with FSD Vocational Training & Entrepreneurial Training Institute to train beneficiaries in Lagos, Abuja, Ibadan, Calabar, Enugu and Kaduna. The trainees included women from vulnerable groups like the Internally Displaced Person camps inmates, widows and rape victims. The trainees also attended seminars and business trainings and upon graduation, were given equipment such as ovens/stoves, dryers and sewing machines to enable them establish small scale businesses. The graduates are thereafter monitored regularly via visits to locations as well as follow up seminars at the centre by SMEDAN/FSD.

A total of 327 women were impacted through this initiative.

It is worthy of note that some of the graduates went ahead to set up verifiable small scale businesses, became trainers in other businesses (salons /fashion) and mentors to the other trainees.

Staff members anchored trainings held at regular intervals in various locations. Key staff members which included Sub Zonal Heads and Zonal Heads spent a minimum of 2 hours weekly at each centre, while Branch Managers and Assistant Branch Managers spent a minimum of 3 hours at various training centres. The Project spanned for 3 years and trainees were monitored upon graduation for a period of 6 months – 1 year.

In March 2017, 120 women were selected from various locations; Chibok, Ibadan, Calabar and Lagos and were hosted at the Bank's Head Office with the Bank's Group Managing Director, Herbert Wigwe as the keynote speaker.





SUSTAINABILITY REPORT

In the last decade, the world has evolved towards the culture of responsibility and sustainability. Policies and practices are being reviewed and new strategies developed towards shaping a future that is economically productive, environmentally protective and socially responsible.

There is a rising global awareness of the importance of adopting a culture that conserves resources, creates opportunities and develops sustainable solutions that protect lives and opportunities for future generations. Now, more than ever, stakeholders are seeking accountability from organizations on the impact of their affairs on the environment, economy and society. Leadership in sustainability is globally paralleled with leadership in business and diplomacy, as thought leaders are expected to embed sustainability in their operations and activities. Sustainability has also been identified to directly impact the profitability of businesses and governments on a global scale. It is clearly a valuable tool and key driver of global economic and social development.

Access Bank, as an innovative leader in business, has since identified the key risks, opportunities and values inherent in sustainable development. Since 2008, we have worked assiduously to structure our business operations, design our policies and practices and develop new strategies that would build a truly sustainable institution. Our sustainability vision, as aligned with our corporate vision, is **“To be the Most Sustainable and Respected Bank in Africa, financing and facilitating brighter futures for all of our stakeholders through innovative services and best in class operations”**.





This, we have achieved by supporting vibrant and successful communities in every market we operate in reducing corruption, promoting and protecting human rights and ensuring a healthy and rewarding working environment for our employees. By facilitating and financing sustainable economic growth, we are leading the way in financial inclusion and education, helping develop enterprises and being at the forefront of sustainability regulation and thought leadership. We continue to increase the efficiency of our operations, by minimizing energy and resource consumption and mitigating any impacts on our environment. This has helped position us as the leading financial institution in sustainability across the nation and in the continent.

As we draw closer to marking a decade of our sustainability journey, we remain committed to setting standards for sustainable business practices whilst adopting innovative solutions to build a future that is desirable, as we become the World's Most Respected African Bank.

OUR JOURNEY TO SUSTAINABILITY

Over the years, Access Bank has evolved into a leader in sustainability and we are clearly a bank of best practice, having created a robust and sustainable business, which our employees take pride in and our communities can trust. In 2008, we established the Sustainability function whilst fully adopting Employee Volunteering Bank wide. This ushered the Bank into a longstanding commitment to driving impactful sustainable development in communities. In 2010, we embedded sustainability into our Corporate Philosophy, ensuring sustainability considerations in all aspects of our business activities and operations.

Driving innovative technology, we emerged as the first financial institution in Nigeria to deploy a customized Sustainable Finance toolkit, providing technical assistance to our clients in screening projects to identify potential E&S risks. By 2012, we initiated the process, and partnered with relevant stakeholders in the banking industry to develop the Nigerian Sustainable Banking Principles (NSBP) – a set of 9 principles that provide guidance for the entire industry towards driving sustainable development in the industry. Furthermore, we developed the NSBP portal within the Bank – an innovative tool that enables the Bank to track, monitor and manage data on its CO2 emissions more effectively. These initiatives have enabled us achieve significant progress in our sustainability journey, empowering us to stand out as leaders in sustainability within the banking industry.

In 2017, we continued to respond to the material issues raised by our valuable stakeholders, which guided our strategic goals and objectives for the year, by developing and implementing innovative interventions and initiatives that effectively addressed key social, environmental and economic issues within our communities and beyond. Our **Malaria-to-Zero** initiative continued to address the fund-

ing gap in providing innovative solutions towards averting at least 1 million malaria cases and deaths by 2020. Our Employee volunteers remained committed to building the communities we serve by implementing strategic community development initiatives that address key issues in the areas of Sports, Arts, Health, Education, Environment and Social Welfare.

Our investment in health also enabled us address key health issues including: HIV/AIDS, Cancer, Sickle Cell amongst others. We were also able to improve our environmental footprints through the implementation of more environmental-focused initiatives including the expansion of our waste recycling initiative, the review of our early shut-down policy and the use of alternative energy in more of our buildings. We also took advantage of our local and international partnerships such as – the UNEPFI, CAMA, UNGC etc., to partake in thought leadership initiatives, joining global leaders and leading organisations in shaping the cause for achieving the global sustainable development goals.

These efforts in different permutations yielded immense global and local recognition for the Bank – receiving over 14 awards on sustainability in 2017 – emerging as the first African institution to win the Karlsruhe Sustainable Finance Awards for Outstanding Business Sustainability twice successively, becoming a 7-time winner of the World Finance award and becoming the pioneer winner of the first-ever Sustainability awards of the Central Bank of Nigeria, winning all categories. These awards and recognitions reaffirm the effectiveness of the Bank's sustainability strategy in driving the sustainable development of the industry, nation and the world at large.

STAKEHOLDER ENGAGEMENTS

In order to ensure that our sustainability policies and strategies address key issues that are material to our stakeholders, we ensure that our stakeholders are effectively engaged in order to identify and understand the issues that are material to them. Our priority stakeholders are our employees, customers, investors, regulators and communities. In engaging, we communicate the Bank's strategies and policies through different channels. We communicate these policies and strategies to our customers through daily interactions at our branch offices, on our website, through customer surveys, events, meetings and business forums, periodic publications like the customers digest and other publications, social media, discussions and focus groups.

We also communicate these policies and strategies to our shareholders through our annual reports and accounts, public announcement of quarterly results, Annual General Meetings (AGMs), shareholder association meetings and non-deal roadshows. We communicate our sustainability policies and strategies to our suppliers through e-mails and letters, forums, events and exhibitions, visits to their business sites etc. To our communities, we communicate our



sustainability policies and strategies through community outreaches, our employee volunteering initiatives, partnerships with community-facing Non-Governmental Organisations (NGOs), charitable donations and sponsorships. With our regulators, we communicate through - regulatory consultations, Industry working groups and committee meetings, onsite meetings/supervisory visits by representatives of regulatory bodies and so on.

Generally, the Bank regularly reports to its stakeholders on all its sustainable development initiatives. We also produce periodic reports to other voluntary, regulatory bodies, coalitions and organizations such as the UNGC, Equator Principles, UNPRI, IFC, DEG, AfDB, FMO to whom we are either active members of or from whom we receive international financing and other regulatory support. We report half-yearly, and as required, in compliance with the Nigeria Sustainable Banking Principles in the bi-annual NSBP reports to the CBN.

FINANCIAL SUSTAINABILITY AND NATIONAL SUSTAINABLE DEVELOPMENT

At Access Bank, our goal is to facilitate and finance sustainable economic growth – leading the way in sustainable finance, financial inclusion, enterprise development and leading sustainability regulation and thought leadership. We are dedicated to creating shared benefits by delivering value adding financial products and services to enterprise and personal customers to drive positive economic outcomes.

At the heart of our strategy is the strong belief that we can finance the future of our numerous stakeholders – customers, employees, suppliers, and shareholders. The markets in which we operate are among the most challenging in the world, with multiple developmental issues. Whilst these challenges create opportunities, we are devoting our resources to achieving results and making impact through the power of finance. As a result, we promote access to banking along with social inclusion, while contributing to the development of the communities where we are present and preserving the environment.

In 2017, we proactively continued to grow our national and international banking footprints by ensuring that the 'unbanked' in Nigeria and Africa gain access to the financial sector in due time through the development of products and services aimed at addressing extreme financial illiteracy. Through our strategic and innovative initiatives, we have been able to deploy money management skills to benefit the financially-excluded segments. Our objective is to help reduce poverty, increase economic opportunities and boost national savings.

Save Today, Take Tomorrow Initiative

In 2017, the Bank unveiled a new savings scheme, tagged

the 'Family Savings Scheme.' Following this, the 'Save Today, Take Tomorrow' campaign was launched to stimulate a savings culture amongst families. The scheme was initiated to give customers a boost in their savings. This is in line with the Bank's commitment to promoting a savings culture among the populace. The 'Family Savings Scheme' was designed to encourage families to save together and enjoy exclusive privileges such as high interest rates and family rewards while they continue to enjoy the confidentiality of their banking relationship and manage their accounts as unique individuals. The Scheme also provides access to people who are currently excluded from financial services while promoting capital accumulation and investment boom. Currently, over 26,522 families are banked under the initiative.

ENVIRONMENTAL AND SOCIAL PERFORMANCE

Sustainable Environmental Management forms part of Access Bank's strategy and business model. Hence, we are committed to a clean environment and the fight against climate change. This commitment is reflected in various aspects of our business process, such as analysis of the social and environmental risks of our financing activities and measurement of our environmental footprint.

In continuation of our commitment to sustainability, the Bank took careful measures and implemented appropriate systems to enable us comply with all environmental and social regulations relating to our banking activities and operations in 2017. We continued to work towards improving our sustainability programmes and reducing our environmental footprints. As a result, the Bank did not incur any fines, sanctions, penalties, queries – financial or non-financial – owing to non-compliance to national environmental or social laws, voluntary codes and standards of corporate sustainability to which we are subscribed.

In 2017, we expanded the Bank's waste recycling initiative to 37 new locations, achieving an impressive 92.64% reduction in waste-to-landfill at the locations where the initiative is being implemented. The Bank also achieved a further 24.9% reduction in diesel consumption (year to date) with the review of its early shut-down policy in 2017 from 8.00pm to 7.00pm at the Head Office and annexes. Our 'No-Paper' initiative also facilitated a 39.79% reduction in paper usage. These strategic initiatives enabled us achieve greater levels of effectiveness in our environmental management performance.

Sustainable Waste Management

In 2017, we expanded our waste recycling initiative beyond our Head Office and Annexes to facilitate improved disposal and management of waste materials across our various locations in the country. The Bank now recycles waste from



37 locations. In line with our strategic plan to improve the capacity of waste recycling businesses locally, the Bank also donated recycling waste pick-up trucks to its waste recycling off-takers Parallel Points and Recycle Points – empowering them to ensure sustainable waste management is embedded locally. Furthermore, a comprehensive training on sustainable waste management practices was organised to educate our employees on responsible environmental waste management practices, which led to a paradigm shift in their perspective of waste as a resource. Today, the Bank has achieved a 92.64% reduction in waste-to-landfill at its 37 locations. With plans to expand this innovative initiative, the positive impact will be both significant and ground-breaking going into the future.

Alternative Energy

Access Bank understands the negative environmental impact of inefficient energy consumption. This is why we have embraced the utilization of new environmental friendly technologies to power our business for sustainable productivity. Presently, the Bank has:

- Over 257 solar-powered ATMs accounting for 14% of total ATMs of the Bank
- 4 new solar-powered branches
- 311 branches (98%) are hybrid (inverter + public power supply + generator)
- The Ogunlana Drive Branch, Lagos is fully powered by solar energy with no connection to the national grid
- Motion sensitive LED lightings at its Head Office
- LED lightings in all its facilities nationwide

This has greatly impacted our carbon emission reduction and in turn minimized our impact on the environment, contributing to on-going global efforts on environmentally-friendly practices.

Resource Efficiency

The 'No Paper Initiative' - At Access Bank, protecting the environment has always been of paramount importance to us. We have demonstrated this through the continuous engagement in sustainability initiatives.

As part of our commitment to our sustainability goals, we introduced the 'No Paper Initiative'. This Initiative aims to help reduce our paper usage by getting us to think more about the implications of our actions on our environment. Some of the activities under this initiative include:

- Paper Saving Tips
- Automated Memo Approval System

- Paper Saving Team Challenges - Paper Champions are selected and rewarded with mouth-watering prizes
- Monthly and Quarterly Benefit Updates and many more

The 'No Paper Initiative' has facilitated further reduction in our paper consumption and ensured the sustainability of our environment.

Energy Consumption

Improving the Shut-down Policy - Efficiency improvement policies and practices are adopted by Access Bank to facilitate reduction in our total energy consumption. In 2017, this was achieved through further expansion of the Bank's early closure policy which was enforced by shutting down power at the head office by 7.00pm instead of 8.00pm, and branch offices at 6.00pm. The early shutdown policy reviewed in June 2017 resulted in a further 24.9% reduction in diesel consumption (year-to-date).

ETHICS, ANTI-CORRUPTION & WHISTLEBLOWING

At Access Bank, we are strongly committed to high ethical standards and integrity. We continue to create awareness amongst our staff on the importance of ethical conduct, while maintaining a corporate culture that rewards honest practices and discourages unethical actions. The Bank demonstrates its continuous commitment to ethical practices by working with leading institutions to build capacity for ethical behaviour amongst its employees. In order to enable staff and other members of the public to report unethical activities affecting the Bank, we have deployed a robust whistleblowing system. This enables our internal and external stakeholders to report unethical activities affecting the Bank, so that the Bank can implement measures to address them before they escalate into future liabilities, business threats and losses. Details of the whistleblowing channels are provided below:

Through the KPMG Ethics Line

E-mail: kpmgethicsline@ng.kpmg.com

Toll free numbers for calls from MTN numbers only: 0703-000-0026; 0703-000-0027

Toll free number for calls from Airtel numbers only: 0708 060 1222; 0808-822-8888

Toll free number for calls from ETISALAT numbers only: 0809 993 6366

Toll free number for calls from GLO numbers only: 0705 889 0140

In order to instil the highest ethical and legal standards as well as comply with applicable international laws, we have



appointed functional Anti-bribery Compliance Officers across our branches nationwide. We further strengthened the implementation of our Anti-Bribery Policy and related policy documents such as the Code of Ethics and Compliance Manual, thus making them applicable to all our primary stakeholders and business partners, particularly our staff, vendors and contractors.

Human Rights

Access Bank fully demonstrates respect for human rights and all related charters on the subject matter. Our Bank's documented Human Rights policy guides our organisation-wide actions in a manner akin to the Universal Declaration of Human Rights. We demonstrate our respect for the rights of all people, through our gender-inclusive, equal opportunities and non-discriminatory workplace culture. At Access Bank, we respect the rights of all people, men, women, old, young, People Living with HIV/AIDS (PLWHA), disabled, amongst others.

In addition, we also promote human rights compliance through our lending decisions and supply chain relationships. Respectively, our procurement and credit risk teams, adopt due diligence processes which ensure that the Bank does not conduct business with prospective borrowers or vendors that have questionable human rights records. Access Bank was the first Nigerian Bank to have a fully operational workplace policy on HIV/AIDS. We pioneered the HIV/AIDS Workplace Policy Programme across all our subsidiaries.

In 2017, we continued to maintain a grievance mechanism on human rights, among other issues, through our whistleblowing line, through which our internal and external stakeholders can report any human rights abuses. Clearly, the availability of this line has strongly guarded and prevented members of the Bank's staff from indulging in human rights abuses.

WOMEN EMPOWERMENT AND GENDER INCLUSIVENESS

The Bank mainstreams the essential characteristics of a women-friendly institution in line with global best practices. This requires, among other things, provision of vision and leadership to galvanize women's economic empowerment as well as a thorough approach on gender equality and inclusion that is comprehensive and cross-cutting. At Access Bank, we do not only believe in the extension of financial services to women, we also see it as our responsibility to truly empower women and promote gender equality. As a Bank of best practice, we mainstream the essential characteristics of a women-friendly institution in line with our belief that investing in women can yield great gender dividends. We continue to drive strategic initiatives to showcase our commitment to the social and economic empow-

erment of Women in Nigeria, the African continent and the world at large.

Access Bank has continued to play a role as one of the leading sponsors of the internationally acclaimed Women Empowerment Principles (WEPs) promoted by the United Nations Women and the United Nations Global Compact (UNGC). As a Bank of best practice, we continue to subscribe to the Women Empowerment Principles, and have gradually begun to eliminate finance and societal stereotypes which exclude women from certain roles, opportunities and privileges. In recognition of our commitment to women's economic empowerment. Our Chairperson, Mrs. Mosun Belo-Olusoga was appointed as the first African on the Board of the Global Banking Alliance for Women (GBA).

The 'W' initiative

The award winning 'W' initiative has truly remained the home for everything Access Bank has to offer women and has helped the Bank maintain its position as the top choice for women in the markets and communities we serve. Over the last 3 years, the initiative has enabled us acquire 870,000 new female customers with 70% of them using our debit cards and contributing to the Bank's profitability. We achieved a 58% growth in access to finance by stimulating the growth of women owned enterprises with up to N7.3 billion and 308% growth in lending to female individuals by helping them bridge financial needs up to N5.1 billion.

In the course of the years, we participated in 276 women-focused events and also hosted 31 capacity building and networking sessions that reached over 70,222 women. More than 55,000 women have benefited from programmes deployed through the W Academy capacity building sessions, networking programmes, IVF fora etc. The flagship programmes 'Demystifying Bank Loans' and 'Empowering Women with Technology' have addressed gaps in gender financing and technological skills amongst women respectively. The Lagos Business School Enterprise Development Center (EDC) certified program, 'Womenpreneur Business Workshop' has bridged business and managerial skills gaps amongst thousands of female entrepreneurs. More than 700+ families benefited from the educational advisory sessions/fairs, facilitated by world renowned Ms. Peggy Hanefors of Ascent Education, that helped them make the right choices and prepare their wards for admission into Ivy League and top schools across the world.

To encourage women's savings habit, we implemented the first of its kind gender-focused savings promotion, 'Women! Let's Save' Season 1 and 2 in 2015 and 2016 respectively. More than 216,000 women, including 21,000 new female customers, participated in the promo with an accumulated net inflow totalling N5.8 billion. The primary objective of the promotion was to reward a culture of saving, recognizing women who demonstrated the discipline to save over a defined period consistently.



Referred to by experts as the banking product that delivers babies, our first of its kind Maternal Health Service Support (MHSS) has helped scores of women complete their families and access quality healthcare by financing medical and fertility treatments for women amongst others. Through successful IVF procedures and Natal Support, 40+ babies have been birthed to families nationwide. Women have also been able to access bone surgeries for their infants as well as fibroid treatments.

Access Women Network ('AWN')

The Access Women Network supports gender diversity/inclusion in the Bank. It is the support network for female staff ensuring gender equality policies are entrenched within the organisation. This helps to continually attract and retain female employees across all cadres. The network champions its cause through gender policies, mentoring, capacity building and networking programs. All female employees are eligible. Some of the key initiatives of AWN in the past year include:

Love a Child Initiative

On the 12th of February 2017, the Access Women Network (AWN) carried out the second edition of Love a Child Initiative.

The initiative was established by AWN to impact the lives of orphans in our community on Valentine's Day. All employees were engaged to donate gifts and cash for the orphans within their community. Branches selected orphanage homes within their community to visit and donate gifts and cash. Female employees were nominated in all the branches to champion the initiative in their respective branches.

International Women's Day

AWN celebrated the International Women's Day on March 8, 2017. To mark the day in a special way, processes were put in place to "empower a woman" and "appreciate a woman".

The activities of the day were centred on pairing up all members of staff to send out appreciation notes to each other.

EMAC Smearathon

The event tagged "Smearathon" was held on Saturday, September 16, 2017 at the Muri Okunola Park in Victoria Island, Lagos. The event provided an avenue for the underprivileged women to receive free screening for cervical cancer. Ninety-One women from Ajah and Obalende were screened. We had in attendance, male and female staff of

Access Bank, partners and sponsors, celebrities, family and friends, Mrs Mosun Belo-Olusoga, the Bank's Chairman was also in attendance to support the cause.

World Sight Day

In commemoration of the World Sight Day on October 12, 2017, ACT Foundation in partnership with the Access Women Network provided free eye screening and recommended corrective lenses (free eye glasses) for participants. This exercise helped to bridge the gap in eye health thus improving the quality of life for Access Bank's staff by identifying individuals with eye defects, treating those with primary refractive errors such as near-sightedness, farsightedness, and astigmatism and referring those who require eye surgeries to a nearby eye specialist hospital or St. Mary's Catholic Eye Hospital for further examination and treatment. 298 participants were screened during the event.

Orange Lecture

Access Women Network in collaboration with Genesis House was engaged in a campaign titled Activism Against Gender-Based Violence. The campaign started on the November 24, 2017 with an annual lecture themed Orange Lecture 2017 - Violence against Women; Why It Matters, Why Should You Care' to mark the International Day for the Elimination of Violence against Women.

The lecture was held at the Bank's Head Office. The keynote speaker was Dr. Joe Okei Odumakin, a Women's Rights Activist. She educated the audience on the importance of speaking up against domestic violence and raising continuous awareness on issues relating to domestic violence.

EMPLOYEE VOLUNTEERING ACTIVITIES

Employee volunteering is an innovative way for businesses to invest in their people and local communities. Employees are guided and advised on how to impact communities in these focus areas, donating their time, skills and resources during work hours to tackle local social issues. The past year showed the passion and commitment of our employees to community investment and this was reflected in the calibre of projects various groups embarked on. Employees have volunteered a total of 1,761,156 hours, in 142 strategic community initiatives across the 6 geo-political zones since 2015. We have achieved 100% employee participation in the Access Bank's Employee Volunteering initiative empowering employees to contribute to the sustainable development of communities. Our employees, through the Employee Volunteering Scheme, contribute ideas, skills and resources to address social issues whilst gaining hands – on experience and fulfillment as positive role models in



the society. Through this scheme, over 15,000 students in schools; 1,000 vulnerable children; 4,000 patients in hospitals; and 3,500 persons in retirement homes, prisons and orphanages have been positively impacted. Some of the most notable initiatives from the Employee Volunteering Scheme in 2017 are discussed below:

Kick-Back Diabetes

Diabetes mellitus (DM) is a chronic disorder that is not only reaching pandemic proportions globally but also poised to affect the developing countries of the world much more than their developed counterparts. While Nigeria has the highest burden of diabetes in sub-Saharan Africa with over five million cases diagnosed, it is believed that its incidence can be reduced if Nigerians adopt healthy lifestyles. The Internal Audit Group embarked on a health screening and health prevention exercise in the Aro Community, Eti Osa Local Government, Lagos State.

The exercise involved screening individuals for elevated blood sugar levels and diabetes, biometric measurements and interpretations (Body Mass Index-BMI), and education on environmental and lifestyle modifications. The initiative successfully reached 238 individuals from the health screening and prevention exercise, 199 adults and 39 children (<18). A total of 45 individuals had elevated blood pressure which could have escalated to hypertension if it was not promptly discovered during the screening exercise. They were promptly counselled and referred to prevent further complications. A total of 21 individuals had deranged sugar levels and were promptly counselled and referred to enhance proper management. The screenings helped to reduce the risk of incapacitation resulting from the disease for diagnosed individuals, and also its subsequent impact on their economic status and the economy at large.

Adopt-a-School

In 2017, the Service & Innovation Group embarked on a project at the Olomu Primary School, Ajah, Lagos which involved the renovation of 10 toilets for the primary school block; overhauling the plumbing system; provision of clean water by the installation of a new borehole and repairing the water system.

The intervention also involved literacy development through the 'Read a Book a Day' campaign, engagement and teaching sessions conducted to teach the pupils healthy living. Topics covered included menstrual hygiene, personal hygiene, dental hygiene and good manners (etiquette). Toiletries were distributed to the students to encourage the practice of hygiene. There were also interactive sessions between the Bank's staff and the pupils.

It is envisaged that over 1,000 primary school pupils will benefit from the newly renovated sanitary facilities comprising 10 toilets. Furthermore, boreholes were constructed at the primary school. The newly constructed boreholes adequately serve the primary school, the attached junior secondary school and indirectly the immediate Ajah community bordering the school which has no clean water supply.

Let's Talk Depression

The Lets Talk Depression initiative was implemented by the General Resource Management Group in partnership with the School of Art Lagos, the World Health Organization and Healthy Minds Foundation. Through this initiative, secondary school students in 25 Local Government Areas in Lagos and over 2,000 corps members at the NYSC Lagos Camp were impacted. The activities under the initiative included:

- An online platform/community, where students with symptoms of depression can engage with mental health professionals was created by the General Resource Management Group <http://letstalkdepression.ng/>
- A short film was created starring star actor Wale Ojo and Sola Kosoko highlighting the causes and effects of depression with particular reference to the case of school students.
- Free mental health evaluation and report carried out for over 100 participants.
- Personal counselling for identified students with depression tendencies

This initiative has provided over 300 students and 1500 Corps members with a better understanding of how mental illness can affect a person's life. It also helped to reduce the stigma of the disease thereby enabling the students with depression speak up. It empowered the students to recognize early signs of depression in themselves and other students.



COMMUNITY INVESTMENT AND SERVICE TO THE SOCIETY

At Access Bank, we are committed to supporting the growth and prosperity of our communities, hence we make deliberate efforts to support various projects, organizations, and events focused on making a positive difference in the communities in which we live and work. Our priority areas are: health, education, sports, arts, environment and social welfare. We have since 2015 invested N3.48billion in various corporate social responsibility initiatives, thereby impacting 690 communities, reaching 19,982,425 lives and 358 Non-Governmental Organisations. Some of our most notable social investments in the past year include:

- Malaria-to-Zero Initiative
- Access Bank Lagos City Marathon
- UNICEF Fifth Chukker Polo Tournament
- Partnership for Impactful Community Development

MALARIA-to-ZERO INITIATIVE

Malaria is a major public health problem in Nigeria where it accounts for more cases and deaths than any other country in the world. The statistics around malaria are not only shocking, but they are also disheartening. According to WHO (2016), Malaria is a risk to 76% of the Nigerian population. There are an estimated 100 million malaria cases with over 300,000 deaths per year in Nigeria.

The Malaria-to-Zero Initiative is an innovative financing platform to galvanize private sector resources and capabilities for sustained support towards averting at least one million malaria cases and deaths by 2020. This is a first step towards complementing government's effort in achieving its malaria pre-elimination goals by 2020. The five focus areas of this intervention include increasing the coverage of the following:

- Indoor Residual Spraying (IRS)
- Seasonal Malaria Chemoprophylaxis (SMC) - which is preventive medication taken during the season when malaria is predominant
- Management of Severe Malaria
- Demand creation
- In-country research and capacity building

IMPACT OF MALARIA TO ZERO INITIATIVE

Description	Recipients
Number of people reached in rural communities with malaria information.	273,000

Number of community groups engaged	35.7
Number of pregnant women provided with treated long lasting insecticide net	4,537
Number of people reached through seminars on Malaria to Zero	15,000
Number of people reached with information, education and communication materials	1,032,000

ACCESS BANK LAGOS CITY MARATHON

In 2017, the Bank strengthened its partnership with the Lagos State Government to successfully host the second edition of the Access Bank Lagos City Marathon. This partnership aims to provide strategic support in the area of sports whilst promoting healthy and active living through fitness and exercise. The event which was approved by the Athletics Federation of Nigeria and endorsed by the International Association of Athletics Federations drew athletes from across the globe. The 2017 edition was ranked 2nd in Africa immediately after the Cape Town Marathon by the All-Athletics.com. The marathon also emerged 71st amongst over 1000 international marathons globally.

UNICEF FIFTH CHUKKER POLO TOURNAMENT

The UNICEF Charity Shield Polo Tournament is one of the key initiatives, sponsored by Access Bank to drive development in the communities it serves. The 2017 edition of the Access Bank-UNICEF Charity Shield Polo tournament was designed to raise more awareness on the plight of vulnerable children and orphans especially the Internally Displaced Persons (IDPs) scattered across Northern Nigeria. The tournament which was in two phases, started in Kaduna State and climaxed in the UK with the Access Bank Charity Shield Polo Day at the prestigious Guards Polo Club in London. The range of events which featured celebrities from different parts of the globe, proved to be yet another platform for galvanizing funds from different individuals towards supporting the less privileged in Northern Nigeria. The Bank, in line with this year's goal, donated N10,000,000 to UNICEF for the cause.

PARTNERSHIP FOR IMPACTFUL COMMUNITY DEVELOPMENT

Access Bank Plc in its drive for sustainable development strongly believes that health and productivity are interlinked themes that strongly determine our ability to achieve a sustainable society. For over 10 years we have



invested in community development programs and partnered with government, private sector and non-profits to accelerate the impact of development initiatives across all geo-political zones in Nigeria.

The Bank partnered with ACT Foundation in 2017 to provide funds for the delivery of grants to nonprofit organizations across Africa. These funds have facilitated the support of nonprofits to achieve their goals to improve health outcomes, build leadership capacity and support income generating activities. This partnership was established to facilitate the implementation of initiatives in focus areas of health, entrepreneurship, environment and leadership.

Through this partnership, ACT foundation has supported multiple organizations. Its 2017 grant cycle involved a rigorous application process for organizations seeking grants. Over 290 applicants applied for the grant from across the

country and it is worthy of note that the 22 organizations selected showcased project ideas with high potentials to impact communities.

SUMMARY OF 2017 GRANTS:

- 22 grantee organizations funded
- 54,941 direct beneficiaries
- 23 states in 6 geo-political zones in Nigeria

AREAS OF SOCIAL INVESTMENT	DESCRIPTION
Health Investment Initiatives	308,550 individuals benefitted directly from different impactful initiatives that were implemented by 9 outstanding NGOs.
Entrepreneurship	2,643 aspiring entrepreneurs in Lagos, Osun & Oyo States would benefit directly from different entrepreneurial and vocational engagements that were implemented by 7 outstanding community based NGOs.
Environment	12,800 individuals benefitted directly from different impactful initiatives that led to social change in the environmental sector.
Leadership	948 youth benefitted directly from several impactful initiatives that were implemented by 3 NGOs.

SUSTAINABLE THOUGHT LEADERSHIP

Additionally, Access Bank has demonstrated its commitment to sustainability through the strong progress made in the Bank's leadership, support and active participation in multiple local and international coalitions on sustainable development across board. As pioneering Nigerian members of various organisations that promote Sustainability performance, the Bank is deeply committed to the principles, values and shared commitments of partnerships towards achieving significant impact and sustainable development. The Bank's partnerships therefore vary across several local and international platforms including:

- United Nations Environment Program Finance Initiative - Co-Chair Africa and Middle East; Member, Global Steering Committee
- Co-Chair, United Nations Global Compact Nigerian Local Network
- Leadership Group Member, United Nations Women Empowerment Principles
- Co-Chair, Corporate Alliance on Malaria in Africa
- Chair, Steering Committee, Nigerian Sustainable

Banking Principles

- Board Advisory Committee, Private Sector Health Alliance of Nigeria
- Board Member, Nigerian Business Council on Sustainable Development
- Co-Chair, Nigeria Business Coalition Against AIDS
- Member, Private Sector Delegation to the Global Fund Board
- Member, We Connect National Advisory Board, Nigeria
- Member, Sustainable Finance Sub-Committee of Financial Market Dealer Quotation.

NIGERIA SUSTAINABLE BANKING PRINCIPLES (NSBP)

In 2011, Access Bank initiated and championed the process that led to the development of the Nigerian Sustainable Banking Principles. The NSBPs were created to enhance economically viable, socially equitable and environmental-



ly sustainable practices in the Nigerian Banking sector. The NSBP Steering Committee coordinates industry collaboration toward the successful implementation of the NSBPs in Nigeria.

Throughout 2017, Access Bank continued to chair the NSBP Steering Committee. In this capacity, the Bank provided leadership, guidance and assistance to other Nigerian banks in the implementation of the NSBPs. In addition, the Bank also doubled as the Interim Secretariat for the Committee, thus coordinating successful meetings, executing Committee's activities, and promoting the adoption of the NSBP in the Nigerian Banking industry. We continued to show our support for new and existing Sustainability champions across the Banking industry, organizing educative seminars and trainings that addressed major challenges of the discipline, further driving Sustainability across financial institutions in Nigeria.

THE UNITED NATIONS GLOBAL COMPACT (UNGC)

The UNGC is the world's largest corporate social responsibility organization with over 9,000 corporate participants and other stakeholders in over 168 countries with two objectives: Mainstream the ten principles in business activities around the world, and catalyse actions in support of broader UN goals such as the Millennium Development goals (MDGs) and Sustainable Development Goals (SDGs).

In 2017, Access Bank continued as the co-Chair of United Nations Global Compact Local Network. As co-Chair Access Bank supported the process for the successful implementation of the UNGC Ethics and Compliance workshop. Through this workshop session on Ethics and Compliance, the Local Network in conjunction with Saipem Contracting Nigeria Ltd convened executives and managers from the corporate, MSME, social business, investor, and NGO communities to equip them with skills to evaluate their compliance programmes as well as address general questions about the "right" and the "good" in their corporate operations.

Furthermore, Access Bank as the co-Chair of the UNGC Local Network supported the process for the successful implementation of the UNGC Collective Action Training and Workshop for SMEs. The Collaboration Lab Workshop convened executives and managers from the corporate, SME, social business, investor, and NGO communities to catalyze collective action against corruption in Nigeria. The objectives of the workshop included:

- Identifying opportunities for starting tangible collective action initiatives
- Exploring innovative collective action models for corporate and SME partnerships

There were presentations on the role of SMEs in the political economy of Nigeria -Corruption Risks and Challenges

from an SME and Large Corporate's perspective. The breakout sessions also provided the opportunity for participants to break into smaller groups with the aim of identifying the day to day challenges that SMEs face in the conduct of their daily business.

UNITED NATIONS ENVIRONMENT PROGRAMME – FINANCIAL INITIATIVE (UNEP-FI)

The UNEP-FI is a collaborative initiative between UNEP and the global financial sector. UNEP-FI works with its full range of partners to promote sustainable development through the financial industry players. Access Bank is well represented on the regional representatives' platform of the UNEP-FI in Africa. By virtue of this, we joined other global leaders in environmental sustainability to move sustainable finance forward. Access Bank serves as the Co-Chair of UNEP-FI, Africa and Middle East; and is a member of the Global Steering Committee. As an active member of the UNEP-FI, we participate in Annual General Meetings and contribute to innovative ideas for accelerating sustainable finance in emerging markets.

The 2017 UNEP-FI Africa Regional Round Table (ARRT) was the first regional round table in Africa which brought together members and actors in the sustainable finance community across the African region to raise awareness on sustainable finance, promote green economy, as well as sectors to work together to realise a green, inclusive and sustainable economy in Africa.

The ARRT was also designed to connect UNEP-FI members with one another and to provide insights into emerging knowledge and best practices around key environmental, social and governance topics. The event provided an unprecedented opportunity for the Bank to showcase and learn about leading-edge sustainable finance practices and the future direction of the industry.

As member and co-Chair of UNEP-FI, Access Bank participated in the launch of the first series of UNEP-FI ARRT which held from November 27-29, 2017 in Johannesburg, South Africa. At the ARRT, Omobolanle Victor-Laniyan, Head, Sustainability at Access Bank, presented and shared the Bank's Sustainability transformative stories on Sustainable Waste Management to an audience of over 500 leaders in Sustainable finance across the African region and this includes: leaders from financial institutions, industry associations, governments, civil society organisations, regulatory bodies and academia. The presentation made by the Bank triggered questions, opportunities and answers in the sustainable finance space.

CORPORATE ALLIANCE ON MALARIA IN AFRICA (CAMA)

CAMA is a group of private sector organisations with busi-



ness interests in Africa. These organisations pool efforts to combat malaria in sub-Saharan Africa. In 2017, we remained consistent in our resolve to eradicate malaria within our sphere of influence and our communities of operation. We served as the major host to CAMA technical fora and also partnered with them in launching the Malaria-to-Zero Initiative.

In recognition of the Bank's commitment towards combating malaria in Nigeria and Africa as well as its continued support and dedication to the Corporate Alliance on Malaria in Africa, Access Bank Plc was announced as the new African co-chair of CAMA in December, 2017.

SUSTAINABILITY RECOGNITION AND AWARDS

Our desire is to see ongoing progress in the developmental landscape of Nigeria and Africa. It is this desire that has driven our many initiatives and collaborative efforts to foster economically, environmentally and socially sustainable development in Nigeria and Africa. As we do so, the world watches. This has led to recognition from stakeholders who truly appreciate the value of our efforts. As such, we continue to receive accolades for our strides in promoting sustainable development in Nigeria through our banking operations and corporate citizenship efforts. Some of our most notable recognitions received during the year 2017 are showcased on page 67 of this report:

PROGRESS REPORT ON THE 17 SUSTAINABLE DEVELOPMENT GOALS (SDGs)

Goals	Target	Access Bank's Corresponding Initiatives
Goal 1: No Poverty	End poverty in all forms everywhere.	International day for Poverty Alleviation: To commemorate this important day in 2017, the Bank partnered with CARE Trust to acknowledge the effort and struggle of people living in poverty.
Goal 2 Zero Hunger	End hunger, achieve food security and improved nutrition, and promote sustainable agriculture.	<p>Anchor Borrowers' Programme: In 2017, Access Bank continued to work with the CBN to collaborate with anchor companies (Rice/Wheat millers) involved in rice production and processing to help poor local farmers increase local production, increase feedstock for processors as well as reduce importation and conserve Nigeria's external reserves. The Bank also partnered with Lagos and Kebbi State Government to build a rice mill with a capacity to mill 20 tonnes of rice per hour.</p> <p>AFLASAFE Initiative: In 2017, Access Bank partnered with GracefmSeda Services to successfully implement the Aflasafe Project aimed at training 3,000 small holder farmers mobilized in the South-South region of the country on sustainable agricultural practices to improve productivity and reduce unsustainable production. The Aflasafe Project is an initiative of the International Institute of Tropical Agriculture (IITA) and World Bank aimed at promoting food security through the adoption of 'Aflasafe' farming practices, whilst improving the livelihood of small holder farmers across Nigeria.</p>
Goal 3: Good Health and Well-being for the People	Ensure healthy lives and promote well-being for all	<p>Malaria-to-Zero: See details at page 55.</p> <p>Commemoration of International Days on Health: The Bank partnered with several community-focused institutions on initiatives that improved the quality of life of the people in different communities across Nigeria and Africa. We commemorated the World Sickle Cell Day at Okokomaiko community in partnership with Nirvana Initiative, providing free genotype testing, counselling and sensitization on how to avoid sickle cell. Over 300 members of the community benefitted from the outreach.</p> <p>On World Diabetes Day, we partnered with Hacey Health Initiative to conduct free diabetes screening and awareness campaign and counselling to over 1,000 beneficiaries. As the world commemorated the 2017 World</p>



		<p>AIDS Day, Access Bank partnered with HACEY Health Initiative and NiBU-CAA to develop an initiative aimed at reinvigorating prevention efforts to stay on the fast-track to ending the AIDS epidemic by 2030.</p> <p>Partnership with ACT Foundation: Through our partnership with ACT Foundation we have been able to address key health issues with initiatives such as:</p> <p>Cancer Awareness Nigeria Breast Cancer Early Detection Programme: The project is aimed at reducing the rising cancer incidence in Nigeria, especially among women, through education, advocacy and patient support</p> <p>Women At Risk International Foundation - Creating awareness about gender-based violence: Project seeks to reduce the rate of gender based violence of expectant mothers in selected communities by providing training to traditional birth attendants on recognizing the signs of abuse and providing adequate management. The project impacted at least 500 Traditional Birth Attendants.</p> <p>Sebecly Cancer Care and Support Centre - #Prevent Cancer Pay: This is an initiative focused on reducing the burden of cervical cancer in Nigeria through increasing the number of cervical cancer survivors and reducing the number of deaths by screening young women and providing support to affected individuals.</p> <p>Special Olympics Nigeria - No more Malaria: The project aims to prevent and reduce malaria morbidity and mortality incidence in Nigeria, especially among children living with disabilities, through health education, screening and provision of basic lifesaving tools. At least 600 children living with disabilities were reached.</p>
<p>Goal 4: Quality Education</p>	<p>Ensure inclusive and equitable quality education, and promote lifelong learning opportunities for all.</p>	<p>Take Tomorrow Initiative: Implemented by employees of the Bank; this initiative allowed employees of the Corporate Communications Group to partner with the Junior Achievers of Nigeria to train students in selected schools on business education and entrepreneurial skills. Over 200 students were reached.</p> <p>Adopt a School Initiative: See page 54 for details</p> <p>The Education Savings Plan: This product was recently launched to assist parents save towards the educational needs of their children in a convenient manner over a specified period as defined by them. This service is available in both foreign and local currencies, provides access to free education advisory, allows discount with selected educational partners as well as preferential Foreign Currency purchases for Personal Travel Allowance and overseas school fees payment.</p> <p>Advance for School Fees: Knowing how stressful it can be when preparing for children's to return to school, we helped ease pressure on parents by providing short-term financial support to enable them pay school fees and a seamless service for the remittance of school fees for their children and wards.</p>
<p>Goal 5: Gender Equality</p>	<p>Achieve gender equality and empower all women and girls.</p>	<p>Access Women Network: We established the Access Women Network which provides a platform for female employees to accelerate their professional and personal development. Some of our key initiatives under this platform in 2017 included Love a Child Initiative, International Women's Day programme, EMAC Smearathon, amongst others.</p>



		<p>The 'W' Initiative: The award winning 'W' initiative has truly remained the home of everything Access Bank has to offer women and also helped the Bank maintain its position as the bank of choice for women in the markets and communities we serve. In 2017, we continued to implement our flagship programs such as: 'Demystifying Bank Loans', 'Empowering Women with Technology', The Enterprise Development Center (EDC) certified program, 'Womenpreneur Business Workshop' which has helped bridged business and managerial skills gap amongst thousands of female entrepreneurs.</p> <p>Maternal Health Service Support (MHSS): Referred to by experts as the banking product that delivers babies, the Scheme continues to aid scores of women complete their families and access quality healthcare by financing medical and fertility treatments for women. Through successful IVF procedures and Natal Support, over 40 babies have been birthed to families nationwide. Women have been able to access bone surgeries for their infants and fibroid treatments through this scheme.</p>
<p>Goal 6: Clean Water Sanitation</p>	<p>Ensure available and sustainable management of water and sanitation for all.</p>	<p>Community Safe Water Initiative: In partnership with HACEY Health Initiative, Access Bank embarked on the Save Water Initiative with the goal of increasing access to safe drinking water for women and children in 15 underserved local communities in South West Nigeria. At least 2,000 beneficiaries have gained access to potable water through this initiative. Other benefits include:</p> <ul style="list-style-type: none"> • Community engagement involving relevant stakeholders within the communities. • Community education on water and hygiene i.e. keeping water clean. • Drilling of boreholes. <p>Water to Communities: Furthermore, through the Employee Volunteering Scheme, and in partnership with Hallified School, Access Bank built boreholes for Mende community in Lagos State. We also constructed public toilets for inhabitants of Dustbin Village in Ajegunle community in Lagos State.</p>
<p>Goal 7: Affordable and Clean Energy</p>	<p>Ensure access to affordable, reliable, sustainable and modern energy.</p>	<p>Internal Investments: In alignment with the goal of ensuring access to sustainable and modern energy, the Bank remains committed to efficient energy usage. Currently, the Bank has:</p> <ul style="list-style-type: none"> • 4 solar-powered branches • 311 hybrid (inverter + national grid + generator) powered branches. • The Ogunlana Drive branch is fully powered by solar energy with no connection to the national grid. • 257 solar-powered ATMs accounting for 14% of total ATMs of the Bank. • Motion sensitive LED lightings at the Head Office. • LED Lightings in all its facilities nation wide. • The Bank's early shutdown policy, introduced in 2015, was reviewed, from shutdown at 8pm at the Head Office and 6pm at the branches to 7pm at the Head Office and 6pm at the branches.



		<p>External Investments: Step-Up Green Initiative: Access Bank supported Green Impact International – a global eco-advocacy organization aimed at creating a movement of environmentally conscious individuals across nations. The support enabled Green Impact International to carry out a programme targeted at training 100 volunteers on eco-smart orientations and a subsequent follow-up project on the engagement of the trainees in reaching out to students in 50 Secondary Schools. The training was in tandem with the establishment of green clubs and green spaces within 10 of the selected schools.</p>
<p>Goal 8: Decent Work and Economic Growth</p>	<p>Promote sustained, inclusive, and sustainable economic growth, full and productive employment and decent work for all.</p>	<p>The Ready.Set.Work Initiative: Access Bank partnered with Lagos State Government on the Ready.Set.Work initiative to train 500 undergraduates from tertiary institutions in Nigeria. This ongoing programme adequately equipped the students with the right skillset to excel in the corporate and entrepreneurial world. Selected participants of the programme have also been placed on a 6-month internship programme in Access Bank to give them a hands-on work experience that will give them the competitive advantage in securing their future.</p> <p>Through our partnership with ACT Foundation we have been able to promote sustained, inclusive, and sustainable economic growth through initiatives such as:</p> <p>FATE Foundation-Aspiring Entrepreneurs Programme (AEP): The objective of the AEP is to create enterprises, businesses and eventually markets, which will inevitably grow economies. Over 60 Aspiring Entrepreneurs were trained on the Nigeria business environment, building and running a successful business and provided with mentoring and business support.</p> <p>Junior Achievement Nigeria Tomorrow's Leaders Today: The project involved supplementary economic and educational programmes in the areas of financial literacy and entrepreneurship provided for senior secondary school students. Over 2,070 secondary school students in two states were inspired and engaged in entrepreneurship, financial literacy, mentoring and leadership</p> <p>FREEDOM Foundation - Empowerment Zones: This is a program for young women and men aged 15-35 who reside in Lagos and are committed to acquiring skills and vocational training. Over 100 aspiring entrepreneurs were trained in soap-making, computer skills, hair cutting, baking, make-up and hairdressing.</p> <p>WIMBIZ: The training aims to develop capacity of female entrepreneurs to lead and build sustainable businesses that will attract investments and contribute to economic development. Over 60 entrepreneurs were supported to:</p> <ul style="list-style-type: none"> • Identify business gaps • Enhance leadership skills • Develop strategies • Set up sustainable business structure.



		<p>Ovie Brume Foundation - The Future projects: The goal of the project is “to reduce the rate of unemployment among rural and urban youths in Nigeria through vocational skills development integrated with financial literacy focusing on global best practices”. Over 60 Entrepreneurs were engaged in different vocational skills such as fashion design, baking, hairdressing and hair cutting. They also learnt business and financial management skills</p>
<p>Goal 9: Industry, Innovation and Infrastructure</p>	<p>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.</p>	<p>African Fintech Foundry: Financial technology plays a critical role as both a disruptor of the status quo and a potential solver of the traditional problems of African financial institutions. Such problems include low level financial inclusion, scarce credit history and cash-driven transaction culture. Through its African Fintech Foundry, (‘AFF’) Access Bank works in close collaboration with the Fintech community. The AFF’s mission is to build the most sought-after, most selective, and most successful technology business incubator/accelerator by valuation in Nigeria.</p> <p>The initiative empowered external participants in a series of events such as coding contests, pitch days, and conferences as well as an application process designed to attract the most talented and ambitious technology entrepreneurs. Participants accepted into the accelerator programme were exposed to opportunities to receive funding, mentorship, networking opportunities, access to markets and work space, amongst others, to aid development of their solutions.</p> <p>SME Toolkit: In line with the Bank’s objective to build the capacity of its SMEs, the SME Toolkit was designed to offer a platform for small businesses to learn and implement sustainable business management practices to increase their productivity and efficiency. The toolkit portal offers information on business news, as well as industry trends and events. Our SME Toolkit also provides access to new partnerships and markets.</p> <p>Women Banking: In order to promote inclusive industrialization, our dedicated women banking team continues to provide customized services for women in our community. In 2017, the Bank provided women with banking solutions that achieved 58% growth in access to finance for women-owned enterprises and 308% increase in personal loans to women.</p>
<p>Goal 10: Reduce Inequalities</p>	<p>Reduce inequality within and among countries.</p>	<p>Access Bank continues to provide new and innovative products or service offerings designed to reduce inequalities in society such as:</p> <p>Skill Acquisition Project Focused on Women Empowerment: Access Bank’s Retail Operations Group launched a capacity building programme with the aim to train and empower disadvantaged women across Nigeria, some of which include: Rehabilitated street girls, Chibok women in IDP Camps, Widows and Rape victims.</p> <p>See details at page 44.</p> <p>Family Banking Scheme: In 2017, Access Bank Plc unveiled a new savings scheme, tagged the ‘Family Savings Scheme.’ The scheme was initiated to give customers a boost in their savings. This is in line with the Bank’s commitment to promote a savings culture among the populace. The ‘Family Savings Scheme’ is a savings scheme designed to encourage families to save together and enjoy exclusive privileges, such as high interest rates and family rewards, while they continue to enjoy the confidentiality of their banking relationship and manage their accounts as unique individuals.</p>



		<p>The Scheme also provides access to people who are currently excluded from financial services while promoting capital accumulation and investment boom. Currently, over 26,522 families are banked under the Save-To-day-Take-Tomorrow initiative.</p> <p>Instant Savings Account: The Bank developed the 'Instant Savings Account' to provide a strategic financial product that will address the gap in financial inclusion. The 'Instant Savings Account' is a hassle-free account opened with just a passport photograph that brings banking and financial services to the unbanked and underbanked segments.</p> <p>With this special product of Access Bank, individual were able to open an account that required no minimum deposit, no monthly maintenance fee, access to your account on the go through mobile banking platforms, access to verve debit cards and lots more.</p>
Goal 11: Sustainable Cities and Communities	Make cities and human settlements inclusive, safe, resilient, and sustainable.	<p>Financing Sustainable Cities: Access Bank makes efforts to make cities and human settlements inclusive, safe, resilient, and sustainable. This is why we are one of the lead financiers of the Eko Atlantic City project, a sustainable and smart city. The Eko Atlantic City project is designed to be Nigeria's version of Manhattan, New York.</p>
Goal 12: Responsible Consumption and Production	Ensure sustainable consumption and production patterns.	<p>Energy Consumption in our Facilities: Efficiency improvements are being made on Access Bank's facilities to reduce total energy consumption. In 2017, through the review of the Bank's early shutdown policy in June 2017 from 8pm to 7pm, the Bank achieved a 24.9% reduction in diesel consumption. Furthermore, the Bank has a fully solar-powered branch at the Ogunlana Drive (which is not connected to the national grid). The Bank has also constructed 4 new solar-powered branches to improve our carbon footprints.</p> <p>Currently, a total of 257 of the Bank's ATMs are fully powered by solar energy. This has enabled the Bank to achieve a 63.4% reduction in CO2 emissions from electricity, a 28.8% reduction in CO2 emissions from diesel and a 16.7% reduction in CO2 emissions from petrol.</p> <p>Paper Consumption: Across the Bank, we have automated most processes, thereby, reducing the need to print. In 2017, the Bank continued to adopt eco-printing practices such as the use of recycled paper, printing on both sides of paper, re-use of scrap paper and the automation of processes. The Bank also made significant reduction in the volume of printing by adopting the Diligent Board Book, an automated and secured system for Board meetings, and paperless meetings.</p> <p>Water Efficiency: In the Bank, we take very seriously our responsibility to carefully manage our water resources. Over the course of the year, we installed water-efficient cisterns in our new rest rooms, thus, reducing water wastage. Throughout the Bank, we aim to halve our water usage in the coming years; as such, we are looking to install more of the water-efficient cisterns in more of our branch offices nationwide.</p>
Goal 13: Climate Action	Take urgent action to combat climate change and its impacts.	<p>Sustainable Environmental Management forms part of Access Bank's strategy and business model. Hence, we are committed to a clean environment and the fight against climate change. This commitment is reflected in certain aspects of our business process, such as analysis of the social and environmental risks of our financing activities, and measurement of our environmental footprint.</p>



		<p>Environmental and Social Risk in Project Finance: The Bank ensures that all transactions are screened for the possible environmental and social risks inherent in projects to ensure that they are addressed effectively. Access Bank has an established Environmental and Social Risk Management Unit reporting to the Executive Director, Risk Management. We implemented sustainable finance toolkit for transaction screening, assessment and reporting, in line with Bank's policies, Equator Principles and IFC Performance Standards. This has helped us to ensure that all projects financed are responsible, thereby reducing our environmental impact and efforts towards a green economy.</p> <p>Alternative Energy: Access Bank understands the negative environmental impact of inefficient energy consumption. This is why we have embraced the utilization of new environmental friendly technologies to power our business for sustainable productivity. Presently, the Bank has:</p> <ul style="list-style-type: none"> • Over 257 solar-powered ATMs accounting for 14% of total ATMs owned by the Bank • 4 new solar-powered branches • 311 branches (98%) are hybrid (inverter + public power supply + generator) • The Ogunlana Drive Branch, Lagos is fully powered by solar energy with no connection to the national grid • Motion sensitive LED lightings at its Head Office • LED lightings in all facilities nation wide. <p>These have greatly impacted our carbon emission reduction and in turn minimized our impact on the environment, contributing to on-going global efforts on environmentally-friendly practices.</p>
<p>Goal 14: Life Below Water</p>	<p>Conserve and sustainably use the oceans, seas and marine resources for sustainable development.</p>	<p>Water Efficiency at Access Bank: At Access Bank, we take very seriously the responsible management of water resources. Over the course of the year, we installed water-efficient cisterns in our new rest rooms; thus, conserving water consumption and reducing waste waters.</p>
<p>Goal 15: Life on Land</p>	<p>Protect, restore, and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and biodiversity loss</p>	<p>World Environment Day Participation: Access Bank in collaboration with all banks in Nigeria commemorated the 2017 World Environment Day (WED) with a publication on saving the environment in line with the theme for 2017 WED-Connecting people to Nature. This publication appeared in Nigeria's major newspapers showcasing banks' commitment to protecting the environment and conserving nature.</p> <p>Sustainable Waste Management: In 2017, Access Bank expanded its waste recycling initiative beyond its Head Office and annexes to facilitate improved disposal of waste product across its locations. The Bank now recycles waste across 37 locations. In line with strategic plans to improve the capacity of waste recycling businesses locally, the Bank donated recycle waste pick-up trucks to waste off-takers. Parallel Points and Recycle Points – empowering them to ensure sustainable waste management is embedded locally. Furthermore, a comprehensive training on sustainable waste management practices was organized to educate the Bank's employees on environmentally responsible waste management practices, which led to a paradigm shift in their perspective of waste as a resource. Today, the Bank has achieved a 92.64% reduction in waste-to-landfill at its 37 locations.</p>



<p>Goal 16: Peace, Justice and Strong Institutions</p>	<p>Promote peaceful and inclusive societies for sustainable development; provide access to justice for all and build effective, accountable, and inclusive institutions at all levels.</p>	<p>Partnership on SALVUS Project: Sexual violence is a common phenomenon that occurs worldwide. In Nigeria, sexual violence largely goes unreported because of the burden of proof necessary for conviction as well as the social stigma it attracts. In an effort to address this societal challenge, Access Bank partnered with HACEY Health Initiative, Empower, the United States of America Mission to Nigeria, the Kessington Adebuntu Foundation and the Stars Foundation Girl Award to launch the SALVUS project.</p> <p>The SALVUS project is a web-based platform developed to facilitate safe and confidential reporting of sexual violence incidents whilst providing access to available comprehensive support service and relevant information. The SALVUS Platform hosts a database of sexual violence support service providers that survivors can connect to and receive the support they need.</p> <p>Project Enable - International Day of Persons Living with Disabilities 2017: In commemoration of the International Day of Persons living with Disabilities, the Project Enable launched and officially opened her Disability-friendly Digital Hub for the use of the community of persons with disabilities in Lagos State. The hub was set up with the support of the Bank and the United States Consulate in partnership with the Joint National Association of Persons with Disabilities (JONAPWD) to improve the access of persons with disabilities in Lagos to information and communicative technology skills and opportunities.</p>
<p>Goal 17: Partnerships for the Goals</p>	<p>Strengthen the means of implementation and revitalize the global partnership for sustainable development.</p>	<p>We have forged partnerships with the public and private sector, and international organizations united by a shared commitment to lead efforts in sustainable development across multi-sector or industry platforms. These organisations include:</p> <ul style="list-style-type: none"> • United Nations Environment Programme Finance Initiative – Co-Chair Africa and Middle East; Member, Global Steering Committee • Co-Chair, United Nations Global Compact Nigerian Local Network • Leadership Group Member, United Nations Women Empowerment Principles • Chair, Steering Committee, Nigerian Sustainable Banking Principles • Board Advisory Committee, Private Sector Health Alliance of Nigeria • Board Member, Nigerian Business Council on Sustainable Development • Co-Chair, Nigeria Business Coalition Against AIDS • Member, Private Sector Delegation to the Global Fund Board • Member, WeConnect National Advisory Board, Nigeria.

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BEST COMPANY IN CLIMATE ACTION - SERAs



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SUSTAINABILITY CHAMPION OF THE YEAR, HERBERT WIGWE (GMD/CEO) - SERAs



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THE BEST CORPORATE GOVERNANCE AWARD - WORLD FINANCE AWARDS



THE MOST OUTSTANDING BUSINESS SUSTAINABILITY - KARLSRUHE SUSTAINABLE FINANCE AWARDS



SUSTAINABLE BANK OF THE YEAR - CENTRAL BANK OF NIGERIA



SUSTAINABLE TRANSACTION OF THE YEAR (OIL AND GAS SECTOR) - CENTRAL BANK OF NIGERIA



SUSTAINABLE TRANSACTION OF THE YEAR (AGRICULTURE) - CENTRAL BANK OF NIGERIA



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OTHER AWARDS

- AFRICA CLEAN-UP AWARD 2017
- CORPORATE ACHIEVEMENT AWARD FOR PROMOTING FINANCIAL LITERACY - FINANCIAL LITERACY EXCELLENCE (FILEX) AWARDS 2017

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RISK MANAGEMENT



The year 2017 was a combination of opportunities and a series of uncertainties on the global business space. Macroeconomic headwinds continued to create multiple emerging risks, forcing risk managers to delicately navigate the risk minefields across varying business spheres. Access Bank has maintained a conservative and consistent approach to risk through application of embedded enterprise-wide risk management. Our risk management practices are hinged on carefully designed innovative approaches for a sustainable future. We have integrated sustainable management practices into every aspect of our business. Our comprehensive risk management framework is set up to ensure that we protect depositors' funds, lend responsibly, support economies and protect our planet. Our well defined risk appetite has been carefully aligned to our strategy and our risk management culture has helped to deliver long-term shareholder returns in a sustainable manner.

Nigeria experienced foreign currency shortages for most part of the first half of the year, stemming from relatively lower oil production and commodity prices. The persistence of foreign exchange liquidity challenges resulted in major complications for the economy as a whole, impacting productive capacity as businesses struggled to source necessary raw materials and other components. The combination of multiple threats from the operating environment in the year affected the banking sector in the form of sluggish credit growth, asset quality pressures, and weakening capitalization. All of these prompted



greater regulatory monitoring.

At Access Bank, our analytical and reporting processes had anticipated many of the above-mentioned issues and we had proactively put in place mitigants necessary to cushion the impact of these shocks. Beyond taking pre-emptive mitigating steps, the outlook was viewed as an opportunity to further optimise our risk and governance processes and position the Bank to benefit from market and regulatory developments. The Bank also placed great importance on making a difference in the environment in which people live and work, fostering and maintaining relationships with communities and developing several climate change management initiatives both within the Bank and in our lending activities. Our sustainable banking model has afforded us the opportunity to facilitate the development of innovative banking products designed to enhance our digital loan offerings thereby prompting financial inclusiveness. It has also helped in the formulation of a robust management framework to support these initiatives.

In summary, the year 2017 was a very engaging year for risk management. Various risk management initiatives came to fruition during the period which added to the range of risk management tools that assisted the Bank in managing risks over the period. Some of these included the following:

- Upgraded our interest rate risk measurement and the basis of interest rate risk capital measurement to Economic Value of Equity.
- Deployed a digital risk management framework to ensure digital risks are proactively identified and properly managed as the Bank expands its retail frontiers through digital channels.
- Developed an Enterprise-wide Risk Management Dashboard that shows the Bank's position in all the risk areas in line with Strategic Business Units, products, channels and geographies against defined limits, key risk indicators and policies.
- Implemented International Financial Reporting Standards (IFRS) 9-compliant models for the measurement and reporting of loans and receivables.
- Designed and implemented an automated Asset Liability Management (ALM) reporting tool which is an end-to-end solution that automates the entire ALM Reports generation operation.

The tool helps to ensure the accuracy and authenticity of reports, cut down processing time, allow on-demand report generation and provide flexibility in report definition while generating the report.

- Developed in-house macroeconomic and financial models for Probability of Default, Loss Given Default, stress testing and loan grading

- Developed models for scenario analysis to better capture and anticipate evolving macroeconomic dynamics and impact at industry, sectoral and obligor levels.

• **Increased Regulatory Intelligence**

- The Bank reduced its exposure on accounts without Bank Verification Number (BVN) through proactive intelligence gathering.
- Consolidated on the Cluster Compliance structure which led to increased efficiency in compliance monitoring.
- Full compliance with Stamp Duty remittance in line with government's directive.

• **Continuously improved processes for Enhanced Service Delivery by:**

- Developing data enhancement portal which improved data quality and report rendition to the Nigerian Financial Intelligence Unit (NFIU).
- Developing Politically Exposed Person (PEP) attestation portal for report rendition to the CBN and ongoing due diligence on PEPs.
- Tracking the implementation of digital banking products to ensure 100% regulatory compliance.
- Automation of the policy initiation and review process.

• **Further empowered the First Line of Defence by:**

- Development of tools to assist the First Line of Defence with Suspicious Transaction Reports (STR).
- Strengthening advisory support for Business and Reputational decision making and innovative training methods e.g. Financial Action Task Force (FATF) game

The above remained pivotal in supporting the Bank's risk optimisation in the course of the year, as well as making critical and strategic investments in the Bank's medium and long-term sustainability strategy. It is not surprising therefore that with all these investments and passionate drive, Access Bank won the 2017 Sustainability Awards managed by the Central Bank of Nigeria (CBN) in all categories including driving Environmental and Social Risk practices in our oil & gas and agricultural lending activities.



ENTERPRISE-WIDE RISK MANAGEMENT

OUR ENTERPRISE-WIDE RISK MANAGEMENT REMAINS CUSTOM-MADE

Helping our stakeholders achieve their ambitions lies at the heart of our processes as we apply a bespoke risk management framework in identifying, assessing, monitoring, controlling and reporting the inherent and residual risks associated with the pursuit of these ambitions and ensuring they are achieved the right way. We help in connecting our customers to opportunities through our promise of speed, service and security.

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

As we navigate through new frontiers in a growth market in the ever-changing risk universe, proactive Enterprise-Wide Risk Management Framework becomes even more critical. We continue to push the frontiers of our overall risk profile through innovation for a sustainable future whilst remaining responsive to the ever-changing risk universe.

Access Bank views and treats risk as an intrinsic part of business and maintains a disciplined approach to its management of risk. Its Group Risk functions remain dynamic and responsive to the needs of stakeholders as it improves its focus on the inter-relationships between risk types. The Bank uses periodic reviews of risk exposure limits and risk control to position itself against adverse scenarios. This is an invaluable tool with which the Bank predicted and successfully managed both the local and global recession which continued to impact the macroeconomy. Market volatility and economic uncertainty, are typically contained because the Group regularly subjects its exposures to a range of stress tests across a wide variety of products, currencies, portfolios and customer segments.

The Bank's risk management architecture, as designed, continued to balance corporate oversight with well-defined risk management functions which fall into one of three categories where risk must be managed: lines of business, governance and control, and corporate audit. The Board of Directors and Management of the Bank are committed to constantly establishing, implementing and sustaining tested practices in risk management to match those of leading international banks. We are convinced that the long-term sustainability of our Group depends critically on proper governance and effective management of our business. As such, risk management occupies a significant position of relevance and importance in the Bank.

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

The role of the Group Chief Risk Officer in Access Bank remains pivotal as he has the primary responsibility for ensuring the effective implementation of the ERM Framework of both the Bank and its subsidiaries. The Bank's ERM Framework and amendments thereto require Board approval, whilst the Risk Management Division is responsible for the enforcement of the Bank's risk policy by constantly monitoring risk, with the aim of identifying and quantifying significant risk exposures and acting upon such exposures as necessary.

Risk management in Access Bank is part of our culture, and everyone, from the most junior officer to Executive Management, is cognisant of the risk culture. Our officers approach every banking transaction with care, taking into consideration the Bank's acceptable risk appetite and our stated risk behavior and culture.

To some institutions, risk is viewed as a threat or uncertainty, but to us, it goes beyond that. Risk to us, presents potential opportunities to grow and develop our business within the context of our clearly articulated and Board-driven risk appetite. Hence, our approach to risk management is not limited to considering downside impacts or risk avoidance; it also encompasses taking risk knowingly for competitive advantage backed by strong market and macro analytics and scenario planning. Access Bank approaches risk, capital and value management robustly and we believe that our initiatives to date have positioned the Group at the leading edge of risk management.

RISK MANAGEMENT FRAMEWORK

All activities and processes of Access Bank involve the identification, measurement, evaluation, acceptance and management of risk or combinations of risks. The Board, advised by the various Board and Management Risk Committees, requires and encourages a strong risk governance culture which shapes the Group's attitude to risk. We be-



lieve that risk management encompasses the insights delivered by information which facilitate appropriate actions. Access Bank has a robust Group risk management framework, which gives full Group-wide coverage of a variety of risks. Our annual risk cycle is designed to give management relevant, up-to-date information from which trends can be observed and assessed. The governance structure supporting our risk cycle is designed to deliver the right information, at the right time, to the right people.

Here in Access Bank, we have a holistic view of all major risks facing the Bank. We remain vigilant with regard to both known and emerging risks and ensure that we are strong enough to withstand any exogenous shock. Our Board-level risk committees play a critical role in providing oversight of risk management and ensuring that our risk appetite, risk culture and risk profile are consistent with and support our strategy to deliver long-term sustainable success in achieving our strategic vision of being the World's Most Respected African Bank.

Risk, by definition, is dynamic in nature. The management of risk, consequently, must be evolving, necessitating regular review of the effectiveness of each enterprise risk management component. It is in the light of this that Access Bank's Enterprise-wide Risk Management Framework is subject to continuous review to ensure effective and cutting-edge risk management. The review is done via continuous self-evaluation and monitoring by the risk management and compliance functions in conjunction with internal audit; and through independent evaluation by external auditors, examiners and consultants.

We run an automated and workflow-driven approach to managing, communicating, and implementing Governance, Risk Management and Compliance (GRC) policies and procedures across the Bank. This provides an integrated and flexible platform for documenting and analysing risks, developing mitigation plans, defining controls, and managing ongoing risk assessments. It provides clear visibility on key risk indicators, assessment results, and compliance initiatives with integrated reporting of self-assessments, independent assessments, and automated controls vis-à-vis set limits.

We believe that understanding and managing our risks and continuously improving our controls are central to the delivery of our strategic objectives. The Board's risk committees play an active role in ensuring that we undertake well-measured, profitable, risk-taking activities that support long-term sustainable growth.

BALANCING RISK AND RETURN

Balancing risk and return and taking cognizance of the capital required demands rigorous analysis. The ultimate aim is to optimize the upside and minimize the downside with a view to adding value to our shareholders, and providing security to our other capital providers and clients, as well as

ensuring overall sustainability of our business activities.

Every business activity in our Group requires us to put capital at risk in exchange for the prospect of earning a return. In some activities, the level of return is quite predictable, whereas in other activities the level of return can vary over a very wide spectrum, ranging from a loss to a profit. Accordingly, over the past year, we have expended substantial energy on improving our risk and capital management framework to focus on taking risks where we:

- Understand the nature of the risks we are taking, and what the range of outcomes could be under various scenarios;
- Understand the capital required in order to assume these risks;
- Understand the range of returns that we can earn on the capital required to back these risks; and
- Attempt to optimize the risk-adjusted rate of return we can earn, by reducing the range of outcomes and capital required arising from these risks, and increasing the certainty of earning an acceptable return.

Our objective of balancing risk, return and capital has led us to substantially enhance our risk management methodologies; in order to be able to identify threats, uncertainties and opportunities and in turn develop mitigation and management strategies to achieve an optimal outcome.

Value is added for shareholders if our process allows us to demonstrate sustainable risk-adjusted returns in excess of our cost of capital. The process provides security to our capital providers and clients by assuring them that we are not taking on incremental risks which adversely affect the outcomes we have contracted to deliver to them.

ENTERPRISE-WIDE SCENARIO AND STRESS TESTING

We use robust and appropriate scenario stress testing to assess the potential impact on the Group's capital adequacy and strategic plans. Our stress testing and scenario analysis programme is central to the monitoring of strategic and potential risks. It highlights the vulnerabilities of our business and capital plans to the adverse effect of extreme but plausible events. As a part of our core risk management practices, the Bank conducts enterprise-wide stress tests on a periodic basis to better understand earnings, capital and liquidity sensitivities to certain economic scenarios, including economic conditions that are more severe than anticipated. The outcome of the testing and analysis is also used to assess the potential impact of the relevant scenarios on the demand for regulatory capital compared with its supply. These enterprise-wide stress tests provide an understanding of the potential impacts on our risk profile, capital and liquidity. It generates and considers pertinent and plausible scenarios that have the potential to adversely



affect our business.

Stress testing and scenario analysis are used to assess the financial and management capability of Access Bank to continue operating effectively under extreme but plausible trading conditions. Such conditions may arise from economic, legal, political, environmental and social factors. Scenarios are carefully selected by a group drawn from senior business development, risk and finance executives. Impacts on each line of business from each scenario are then analyzed and determined, primarily leveraging the models and processes utilized in everyday management routines.

Impacts are assessed along with potential mitigating actions that may be taken in each scenario. Analyses from such stress scenarios are compiled for and reviewed through our Group Asset and Liability Committee, and the Enterprise Risk Management Committee and serve to inform and are incorporated, along with other core business processes into decision making by management and the Board. The Bank would continue to invest in and improve stress testing capabilities as a core business process.

RECOVERY AND RESOLUTION PLANNING

The 2008/2010 global financial crisis exposed Nigerian banks and the economy in general to unprecedented stress. Poor risk management in Nigerian banks led to the concentration of assets in certain risky areas. The concerns stemmed from the huge deterioration in the quality of banks' assets, liquidity concerns and low capital adequacy ratios. Consequently, the Central Bank of Nigeria had to intervene to prevent a total collapse of the industry and create stability in the Nigerian financial sector.

The Asset Management Corporation of Nigeria (AMCON) was set up in 2010 to relieve banking sector balance sheets of Non-Performing Loans thereby stimulating lending to the real sector. AMCON has over the period intervened by acquiring Eligible Bank Assets ("EBAs"), issuing financial accommodation securities and employing the bridging option to establish bridge banks as a form of resolution. The various regulatory interventions have been at the expense of taxpayers and infrastructural and human capital development being the opportunity cost.

The various banking crisis revealed that many banks were insufficiently prepared for a fast-evolving systemic crisis and thus, were unable to act and respond in a way that would avoid potential failure and prevent material adverse impacts on the financial system and ultimately the economy and society.

The Financial Stability Board described Systematically Important Financial Institutions (SIFIs) as "financial institutions whose distress or disorderly failure, because of their size, complexity and systemic interconnectedness, would cause significant disruption to the wider financial system and eco-

nomic activity".

The Central Bank of Nigeria designated eight banks as Domestic Systemically Important Banks (D-SIBs) in November 2013 and issued requirements for Recovery and Resolution Plans to be submitted by 1st January of every year. Access Bank was designated as a D-SIB, as such, we have updated the Bank's 2017 Recovery Plan ('Recovery Plan') and submitted this to the relevant regulators. The Recovery Plan is updated once a year at least to reflect changes in the business and the regulatory environment.

The Recovery Plan equips the Bank to re-establish its financial strength and viability during an extreme stress situation. The Recovery Plan's raison d'être is to document how we can respond to a financial stress situation that would impact our capital or liquidity position. The plan outlines a set of defined actions, aimed to protect us, our customers and the markets and prevent a potentially more costly resolution event.

In preparing the Recovery Plan, we leveraged the following guidelines:

- Central Bank of Nigeria (CBN) Minimum Contents for Recovery Plans and Requirements for Resolution Planning, November 2016
- European Banking Authority (EBA):
 - Regulatory Technical Standards (EBA/RTS/2014/11)
 - Guidelines (GL/2015/02)
 - Prudential Regulations Authority (PRA) Policy and Supervisory Statements (PS1/15 and SS18/13)
 - Financial Stability Board (FSB) Guidance on Recovery Triggers and Stress Scenarios dated 16 July 2013

Recovery indicators are metrics that can be used by the Bank to define the points at which action can be taken under the recovery plan. Indicators are qualitative and quantitative in nature, and draw on our risk appetite and existing risk management frameworks. The Bank currently has several risk related frameworks in place for both financial and non-financial risk, such as the Enterprise-wide Risk Management (ERM) Framework, Contingency Funding Plan (CFP) and Business Continuity Plan (BCP), amongst others. The Bank's qualitative and quantitative indicators are drawn from our existing risk management frameworks.

Quantitative indicators include Capital, Liquidity, Asset Quality and Earnings indicators. In addition to these, macroeconomic and market-based indicators are used by us to proactively signal negative trends which may harm the Bank. These triggers provide input and support for the continuous monitoring of possible adverse situations and may indicate potential changes in the four key indicators. The



trigger levels and thresholds for the indicators were determined based on regulatory requirements (CBN), the Bank's Risk Appetite, as well as global best practices. These indicators have different monitoring frequencies and a threshold breach will trigger a series of actions as specified in the plan.

In line with best practice, we have identified a wide range of recovery options that will mitigate different types of stress scenarios and steer the Bank back to a business as usual condition. The Bank's Internal Capital Adequacy Assessment Process (ICAAP) and Internal Liquidity Adequacy Assessment Process (ILAAP) are the bedrock on which the scenario planning and stress testing are formed. These scenarios cover both idiosyncratic and market-wide events, which could lead to severe capital and liquidity impacts as well as impacts on our performance and balance sheet. For each recovery option, the impact on capital and liquidity is quantified. The timing to realization of benefits, franchise impact as well as likely effectiveness is evaluated. The implementation plan and timeline are delineated, risks and regulatory considerations are also assessed.

The Board of Directors ("Board") owns and is responsible for the Recovery Plan. The Chief Risk Officer is charged with the responsibility of maintaining the Recovery and Resolution Plan and making submission to the regulatory authorities.

RESOLUTION PLANNING

Globally, regulators of financial institutions are seeking to mitigate the risk of market-wide disruption from bank failure as occurred in the previous financial crisis. To facilitate this, regulators require information from banks to enable a resolution strategy to be put in place. No definitive description of resolvability exists, but regulators wish to ensure that impact of failure is minimised, access to deposits are maintained, payment services continue and the risk of a fire sale of assets, which may cause financial instability is minimised.

The Central Bank of Nigeria (CBN) Minimum Contents for Recovery Plans and Requirements for Resolution Planning outlines minimum information which should be included in a resolution pack which would assist the resolution authorities in carrying out their statutory responsibilities. These information have been provided in line with the regulatory guidance.

RISK ANALYTICS AND REPORTING

The Bank's Risk Analytics and Reporting Group continues to champion the development and entrenchment of integrated data architecture to enhance risk analytics and reporting within the Bank's enterprise-wide risk management (ERM) space. The Group has aligned its governance and functions to that of leading global financial institutions and also considered all contents as seen in most jurisdictions where risk management is best practised.

The Group gives the Risk Management Group a critical depth and dimension in its risk management activities as it relates to data management and integration. The Group is responsible for enhancing all core risk analytics and reporting functions that previously resided in the respective risk areas within our Enterprise-wide Risk Management (ERM), while the Bank's pre-defined governance structures in respect of the above-mentioned functions are retained by the respective risk groups.

The Group remains the key driver in ensuring that Access Bank fully implements Basel II/III to the most advanced levels in alignment with the Central Bank of Nigeria (CBN) prudential guidelines. The team is also responsible for the Internal Capital Adequacy Assessment Process (ICAAP), stress testing, Liquidity Risk measurement and other risk measurement activities. The Group aligns its reporting with the Bank's predefined governance structure such as Board Risk Management Committee, Board Credit and Finance Committee and Enterprise-wide Risk Management Committee.

The functional set up of the Risk Analytics and Reporting group is as follows:

- Data management and integration
- Integrated Risk Analytics
- Integrated Risk Reporting

DATA MANAGEMENT AND INTEGRATION

This unit is responsible for the development and maintenance of the enterprise risk data architecture with a roadmap geared to promoting data integrity, data quality and ensuring integration with risk analytics and reporting.

The Group has a data governance structure which enforces risk data governance and discipline across the Bank as well as data quality measurement metrics to reduce the Bank's risk exposure due to data quality issues.

An efficient structure has been put in place to ensure auto-reconciliation of data across risk and finance silos to improve timeliness and consistency of risk reporting. The Group is in the process of developing a data structure model which will support the risk analytics and reporting activities, thus driving improvements.

INTEGRATED RISK ANALYTICS

The Group guides the analytical input into the implementation of various risk software and their on-going implementation in credit risk, market risk, operational risk and other risk areas. The Group drives the development as well as implementation of the internal and regulatory risk measurement methodologies and models for the core risk elements; examples of the model are Rating models, Scoring models, Probability of Default (PD), Loss Given Default



(LGD) and Exposure At Default (EAD), etc.

The Group designs stress test models and implements the same on the Bank's portfolios and risk profile as well as comprehensive risk analyses to provide insight into all current Strategic Business Unit (SBU). The Group also drives the full implementation of Basel II/III and manages the Internal Capital Adequacy Assessment Process (ICAAP).

The Group deepened the Risk Embedded Performance Management Framework as part of the process of maintaining and aligning behaviours with the Bank's moderate risk appetite. Business performance will subsequently be monitored with a focus on financial performance and risk exposures being aligned with the Bank's risk appetite. The 2017 Budget was built with risk appetite as an integral part

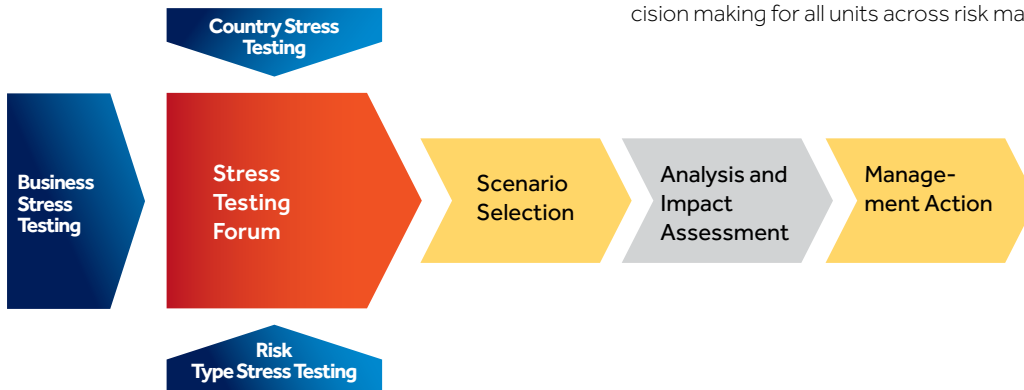
of the financial target determination. Varieties of triggers were employed and an automated process was created to efficiently track compliance and apply a risk charge to the various SBUs where there are deviations.

INTEGRATED RISK REPORTING

The Group strives to improve all in-house analytical reporting of risk management in the Bank and stimulate a culture of data-driven analytical insights for every decision impacting all risk touch points in the risk management process.

The quality of risk reporting was also enhanced by implementing an automated risk reporting system known as the Risk Management Report Portal and the subsequent inclusion of the Subsidiary Risk Management portal. This has led to easy and timely access to risk reports, provided early warning signals, better limit monitoring and better decision making for all units across risk management.

Stress Testing Framework



Our stress testing framework is designed to:

- contribute to the setting and monitoring of risk appetite
- identify key risks to our strategy, financial position, and reputation
- examine the nature and dynamics of the risk profile and assess the impact of stresses on our profitability and business plans
- ensure effective governance, processes and systems are in place to co-ordinate and integrate stress testing
- inform senior management accordingly
- ensure adherence to regulatory requirements

RISK MANAGEMENT PHILOSOPHY, CULTURE, APPETITE AND OBJECTIVES

Our Risk Culture Statement:

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

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

The Bank's acclaimed risk management process has continued to achieve desired results as evidenced by improved risk ratios and independent risk ratings. In line with the Group's core value of excellence, the Group's risk management is continuously evolving and improving, given that there can be no assurance that all market developments, in particular those of extreme nature, can be fully anticipated at all times. Hence, Executive Management has remained closely involved with important risk management initiatives which have focused particularly on preserving appropriate levels of liquidity and capital as well as managing the risk portfolios.

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



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

The Bank believes that enterprise risk management provides superior capabilities to identify and assess the full spectrum of risks and enables staff at all levels to better understand and manage risks. This will ensure that:

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

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

- a) Management and staff:
 - Consider all forms of risk in decision-making;
 - Create and evaluate business-unit and Bankwide risk profile to consider what is best for their individual business units/department and what is best for the Bank as a whole;
 - Adopt a portfolio view of risk in addition to understanding individual risk elements;
 - Retain ownership and accountability for risk and risk management at the business unit or other points of influence level;
 - Accept that enterprise-wide risk management is mandatory, not optional;
 - Strive to achieve best practices in enterprise-wide risk management;
 - Document and report all significant risks and

- enterprise-wide risk management deficiencies;
- Adopt a holistic and integrated approach to risk management and bring all risks together under one or a limited number of oversight functions;
- Empower risk officers to perform their duties professionally and independently without undue interference;
- Ensure a clearly defined risk management governance structure;
- Ensure clear segregation of duties between market facing business units and risk management/control functions;
- Strive to maintain a conservative balance between risk and profit considerations; and
- Continue to demonstrate appropriate standards of behaviour in the development of strategy and pursuit of objectives.

b) Risk officers partner with other stakeholders within and outside the Bank and are guided in the exercise of their powers by a deep sense of responsibility, professionalism and respect for other parties.

c) The Bank partners with its customers to improve their attitude to risk management and encourage them to build corporate governance culture into their business management

d) Risk management is governed by well-defined policies, which are clearly communicated across the Bank.

e) Equal attention is paid to both quantifiable and non-quantifiable risks.

f) The Bank avoids products and businesses it does not understand.



RISK MANAGEMENT PROCESS



GROUP RISK OVERSIGHT APPROACH

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

The Bank's risk management function provides a central oversight of risk management across the Bank and subsidiaries to ensure that the full spectrum of risks facing the Bank are properly identified, measured, monitored and controlled in order to minimize adverse outcomes.

The Chief Risk Officer coordinates the process of monitoring and reporting risks across the Bank. Internal Audit has the responsibility of auditing the risk management and control function to ensure that all units charged with risk management perform their roles effectively on a continuous basis. Audit also tests the adequacy of internal control and makes appropriate recommendations where necessary.

STRATEGY AND BUSINESS PLANNING

Risk management is embedded in our business strategy and planning cycle as evidenced by the inclusion of risk

management as one of our strategic priorities. By setting the business and risk strategy, we are able to determine appropriate capital allocation and target setting for the Group and each of our businesses.

All business units are required to consider the risk implications of their annual plans. These plans include analysis of the impact of the objectives on risk exposure. Throughout the year, we monitored business performance regularly focusing both on financial performance and risk exposure. The aim is to continue the process of integrating risk management into the planning and management process and to facilitate informed decisions.

Through ongoing review, the links between risk appetite, risk management and strategic planning are embedded in the business so that key decisions are made in the context of the risk appetite for each business unit.

RISK APPETITE

Risk appetite is an articulation and allocation of the risk capacity or quantum of risk Access Bank Group is willing to accept in pursuit of its strategy, duly set and approved by the executive committee and the Board, and integrated into our strategy, business, risk and capital plans. Risk appetite reflects the Group's capacity to sustain potential losses arising from a range of potential outcomes under different stress scenarios.



The Bank defines its risk appetite in terms of volatility of earnings and the maintenance of minimum regulatory capital requirements under stress scenarios. Our risk appetite can be expressed in terms of how much variability of return the Bank is prepared to accept in order to achieve a desired level of result. It is determined by considering the relationship between risk and return. We measure and express risk appetite qualitatively and in terms of quantitative risk metrics. The quantitative metrics include earnings at risk (or earnings volatility), liquidity and economic capital adequacy. In addition, a large variety of risk limits, triggers, ratios, mandates, targets and guidelines are in place for all the financial risks (e.g. credit, market, asset and liability management risks).

The Bank's risk profile is assessed through a 'bottom-up' analytical approach covering all the Group's major businesses and products. The risk appetite is approved by the Board and forms the basis for establishing the risk parameters within which the businesses must operate, including policies, concentration limits and business mix.

In line with our standard practice, the risk appetite metrics are tracked against approved triggers while exceptions are reported to management for prompt corrective actions. Key issues are escalated to the Enterprise-wide Risk Management committee and the Board Risk Management Committee.

RISK MANAGEMENT OBJECTIVES

The broad risk management objectives of the Bank are:

- To identify and manage existing and new risks in a planned and coordinated manner with minimum disruption and cost;
- To protect against unforeseen losses and ensure stability of earnings;
- To maximize earnings potential and opportunities;
- To maximize share price and stakeholder protection;
- To enhance credit ratings, depositor, analyst, investor and regulator perception; and
- To develop a risk culture that encourages all staff to identify risks and associated opportunities as well as to respond to them with cost effective actions.

SCOPE OF RISKS

The scope of risks that are directly managed by the Bank is as follows:

- Credit risk
- Operational risk
- Market and liquidity risk
- Legal and compliance risk
- Strategic risk
- Reputational risk

- Capital risk

These risks and the framework for their management are detailed in the enterprise-wide risk management framework.

RESPONSIBILITIES AND FUNCTIONS

The responsibilities of the Risk Management Division, the Financial Control and Strategy Group, and other key stakeholders with respect to risk management are highlighted below:

RISK MANAGEMENT DIVISION

- a) Champion the implementation of the ERM Framework across the Bank and its subsidiaries.
- b) Periodically receive risk reports from management highlighting key risk areas, control failures and remedial action steps taken by management.
- c) Develop risk policies, principles, processes and reporting standards that define the Bank's risk strategy and appetite in line with the Bank's overall business objectives.
- d) Ensure that controls, skills and systems are in place to enable compliance with the Bank's policies and standards.
- e) Facilitate the identification, measurement, assessment, monitoring and control of the level of risks in the Bank.
- f) Embed risk culture in the Bank to ensure that everyone takes into consideration the Bank's risk appetite in whatever they do.
- g) Collect, process, verify, monitor and distribute risk information across the Bank and other material risk issues to senior management, the Board and regulators.
- h) Monitor compliance with bank-wide risk policies and limits.
- i) Empower Business unit risk champions to identify, monitor and report on the effectiveness of risk mitigation plans in reducing risk incidence as related to day to day activities in the unit.
- j) Ensure that laws, regulations and supervisory requirements are complied with including consequence management.
- j) Champion the implementation of Basel II and III.



- k) Promote risk awareness and provide education on risk.
- l) Provide assurance on compliance with internal and external policies with respect to risk management.
- f) Prepare periodic management reports on subsidiaries and associates.
- g) Perform competitive analysis on industry peers.
- h) Conduct strategic and operational review of branches.

FINANCIAL CONTROL AND STRATEGY

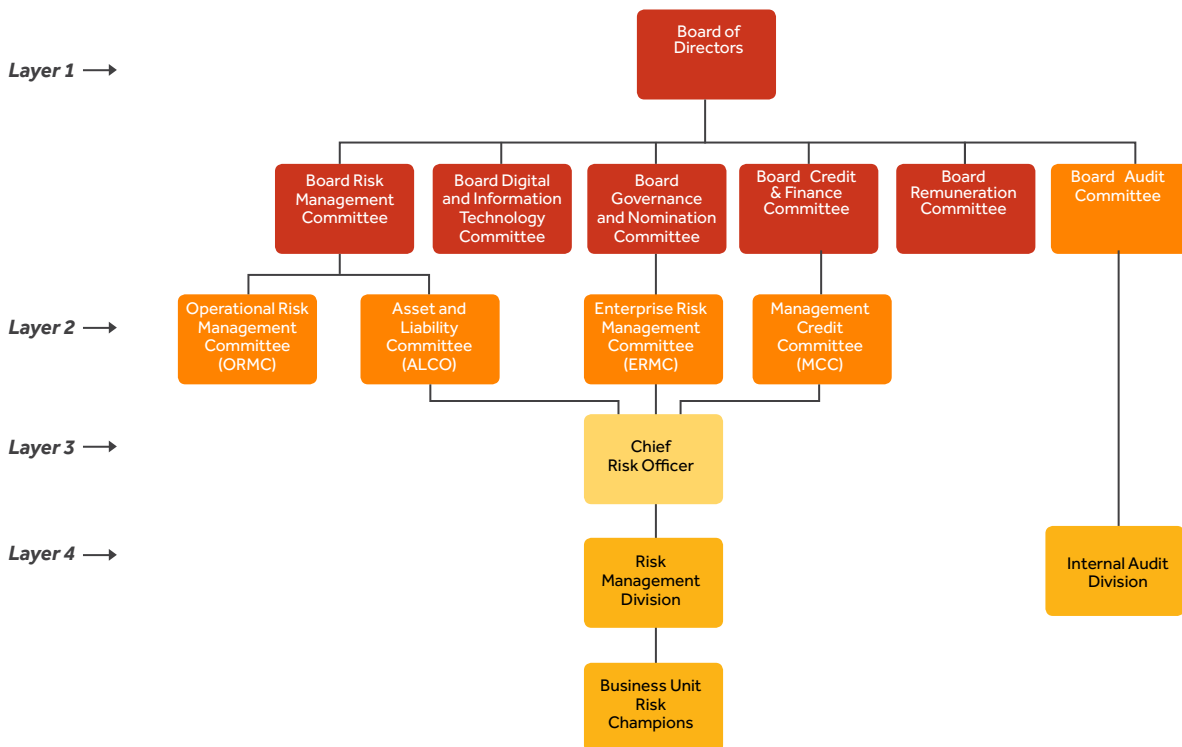
- a) Prepare and monitor the implementation of the Bank's strategic plan.
- b) Conduct strategic and operational review of the Bank's activities.
- c) Regularly scan the Bank's operating environment.
- d) Coordinate and monitor the Bank's rating exercises by external rating agencies.
- e) Prepare business intelligence reports for the Bank's management.

RISK MANAGEMENT GOVERNANCE FRAMEWORK

- The framework details Access Bank's risk universe and governance structure comprising three distinct layers:
1. The enterprise-wide risk management and corporate governance committee forums;
 2. The executive management committees; and
 3. Risk management responsibilities per risk area.

RISK MANAGEMENT GOVERNANCE STRUCTURE

Access Bank's Risk Management Governance Structure is depicted below.





ROLES OF THE BOARD OF DIRECTORS

The Board of Directors' role as it relates to risk management, credit, market, compliance, operational, reputational and strategic risks.

Specific roles in these areas are further defined below:

GENERAL

- a) Develop a formal enterprise-wide risk management framework;
- b) Review and approve the establishment of a risk management function that would independently identify, measure, monitor and control risks inherent in all risk-taking units of the Bank;
- c) Ratify the appointment of qualified officers to manage the risk management function;
- d) Approve and periodically review the Bank's risk strategy and policies;
- e) Approve the Bank's risk appetite and monitor the Bank's risk profile against this appetite;
- f) Ensure that the management of the Bank has an effective ongoing process to identify risk, measure its potential impact and proactively manage these risks;
- g) Ensure that the Bank maintains a sound system of risk management and internal control with respect to:
 - Efficiency and effectiveness of operations
 - Safeguarding of the Bank's assets (including information)
 - Compliance with applicable laws, regulations and supervisory requirements
 - Reliability of reporting
 - Behaving responsibly towards all stakeholders
- h) Ensure that a systematic, documented assessment of the processes and outcomes surrounding key risks is undertaken at least annually;
- i) Ensure that management maintains an appropriate system of internal control and review its effectiveness;
- j) Ensure risk strategy reflects the Bank's tolerance for risk;

- k) Review and approve changes/amendments to the risk management framework;
- l) Review and approve risk management procedures and control for new products and activities; and
- m) Periodically receive risk reports from management highlighting key risk areas, control failures and remedial actions taken by management.

CREDIT RISK

- a) Approve the Bank's overall risk tolerance in relation to credit risk based on the recommendation of the Chief Risk Officer;
- b) Ensure that the Bank's overall credit risk exposure is maintained at prudent levels and consistent with the available capital through quarterly review of various types of credit exposures;
- c) Ensure that top management as well as individuals responsible for credit risk management possess the requisite expertise and knowledge to accomplish the risk management function;
- d) Ensure that the Bank implements a sound methodology that facilitates the identification, measurement, monitoring and control of credit risk;
- e) Put in place effective internal policies, systems and controls to identify, measure monitor, and control credit risk concentrations.
- f) Ensure that detailed policies and procedures for credit risk exposure creation, management and recovery are in place; and
- g) Appoint credit officers and delegate approval authorities to individuals and committees.

MARKET RISK

- a) Define the Bank's overall risk appetite in relation to market risk;
- b) Ensure that the Bank's overall market risk exposure is maintained at levels consistent with the available capital;



- c) Ensure that top management as well as individuals responsible for market risk management possess sound expertise and knowledge to accomplish the risk management function;
- d) Approve the Bank's strategic direction and tolerance level for liquidity risk;
- e) Ensure that the Bank's senior management has the ability and required authority to manage liquidity risk;
- f) Approve the Bank's liquidity risk management framework; and
- g) Ensure that liquidity risk is identified, measured, monitored and controlled.

COMPLIANCE RISK

- a) Approve the Bank's code of conduct and ethics;
- b) Monitor the Bank's compliance with laws and regulations, its code of conduct and ethics and corporate governance practices;
- c) Ensure new and changed legal and regulatory requirements are identified, monitored and reflected in the Bank's processes;
- d) Approve the compliance structure, mechanisms and processes established by management to ensure compliance with current laws, regulations and supervisory requirements; and
- e) Ensure the Bank has a compliance culture that contributes to the overall objective of risk management

OPERATIONAL RISK

- a) Oversee the overall governance of the Bank's operational risk management process;
- b) Set the Bank's operational risk strategy and direction in line with the Bank's corporate strategy;
- c) Approve the Bank's operational risk management framework;
- d) Periodically review the framework to ensure its relevance and effectiveness;
- e) Ensure that senior management is performing their risk management responsibilities; and

- f) Ensure that the Bank's operational risk management framework is subject to effective and comprehensive internal audit by operationally independent, appropriately trained and competent staff.

REPUTATIONAL RISK

- a) Set an appropriate tone and guideline regarding the development and implementation of effective reputational risk management practices, including an explicit statement of a zero tolerance policy for all unethical behaviour;
- b) Approve the Bank's framework for the identification, measurement, control and management of reputational risk;
- c) Monitor the Bank's compliance with its reputational risk management policies and recommend sanctions for material breaches of internal policies;
- d) Review all exception reports by external parties such as regulators and auditors; ensure that appropriate sanctions are applied to erring officers; demand from management appropriate explanations for all exceptional items; ensure that management puts in place effective and remedial actions and provides progress to the Board on an on-going basis;
- e) Ensure that Board members do not compromise their fit and proper status with regulators. They shall ensure that only Board members who do not tarnish the Bank's image and reputation remain as members; and
- f) Ensure that only fit and proper persons are appointed to senior management positions in the Bank.

STRATEGIC RISK

- a) Oversee the strategic risk management process.
- b) Ensure that the Bank has in place an appropriate strategic risk management framework which suits its own circumstances and needs;
- c) Ensure that the strategic goals and objectives are set in line with its corporate mission and values, culture, business direction and risk tolerance;
- d) Approve the strategic plan (including strategies



contained therein) and any subsequent changes, and review the plan (at least annually) to ensure its appropriateness;

- e) Ensure the organization's structure, culture, infrastructure, financial means, managerial resources and capabilities, as well as systems and controls are appropriate and adequate to support the implementation of its strategies.
- f) Review high-level reports periodically submitted to the Board on the overall strategic risk profile, and ensure that any material risks and strategic implications identified from those reports are properly addressed; and
- g) Ensure that senior management is competent in implementing strategic decisions approved by the Board, and supervising such performances on a continuing basis

mittees each of which has a charter that clearly defines its purpose, composition, structure, frequency of meetings, duties, tenure, and reporting lines to the Board.

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

The management committees which exist in the Bank include: The Executive Committee (EXCO), Enterprise Risk Management Committee (ERMC), Management Credit Committee (MCC), Group Asset & Liability Committee (Group ALCO), and Operational Risk Management Committee (ORMC).

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

THE BOARD AND MANAGEMENT COMMITTEES

The Board of Directors is the highest approval authority for credit risk policies and credit facilities in Access Bank. It carries out its oversight function through its standing com-

COMPLIANCE RISK MANAGEMENT

The Bank organizes its compliance function and sets priorities for the management of its compliance risk in a way that is consistent with its own risk management strategy and structures.

The implementation of our compliance function transformation which we commenced in 2015 reached an advanced stage in 2017. The integrated compliance function working closely with Internal Audit and Operational Risk to achieve risk convergence provided backbone for integrated assurance and higher visibility of risk management and control consciousness across the Group.

The compliance function has continued to redefine its approach from the traditional inspectorate function into an advisory role with intense focus on regulatory intelligence gathering and closer cooperation with business units within the Bank and the Group acting as a contact point for compliance queries from staff members. We enhanced the monitoring to online real time to catch up with the current digital banking environment instead of the old process of waiting for the next day to do transaction call over. We receive alerts of transactions on a risk based approach by focusing on the high-risk areas thereby spotting non-conformities on time.

MEASUREMENT, MONITORING AND MANAGEMENT OF COMPLIANCE RISK

In Access Bank, compliance risk is:

- Measured by reference to identified metrics, incident assessments (whether affecting Access Bank or the wider industry), regulatory feedback and the judgment of our external assessors as it relates to AML/CFT and other compliance vulnerabilities;
- Monitored against our compliance risk assessments and metrics, the results of the continuous monitoring and reporting activities of the compliance function and the results of internal and external audits and regulatory inspections; and
- Managed by establishing and communicating appropriate policies and procedures, training employees on them, and monitoring activity to assure their observance.

The Bank continues to recognize its accountability to all its stakeholders under the legal and regulatory requirements



applicable to its business. The Conduct and Compliance function, including all staff of Access Bank Plc and its subsidiaries are committed to high standards of integrity and fair dealing in the conduct of business. The Bank's compliance risk management philosophy is deepened by the effective convergence of risk management through the 'Three Lines of Defense' model.

Effective Compliance Risk Management in Access Bank and its subsidiaries will continuously be coordinated in the following manner:

- Where a business unit is subject to regulatory requirements, it will comply with those requirements. The business unit will further establish and maintain systems of internal control to monitor and report the extent of compliance with those requirements with the support of the Conduct & Compliance function.
- In the absence of regulatory requirements for all or part of a business unit, certain minimum standards of conduct is established and maintained by that business unit to the extent required as determined by the management of that business unit.

Accountability for ensuring compliance with regulatory requirements and minimum standards rests with the Group Managing Director and the Board of Access Bank Group, while the enforcement thereof is the responsibility of the respective Group Heads (1st line of defense).

To assist in the discharge of this obligation, Access Bank Plc maintains an independent Conduct & Compliance Function. The Conduct & Compliance function develops systems of control that are required to ensure there is adequate protection of the Bank, empowers the first line of defence and ensures timely reporting of breaches and other regulatory non-compliances to the Board and Executive Management of the Access Bank Group.

For independent assurance, the Conduct & Compliance function together with other Risk Management functions and the Group Internal Audit to ensure that the necessary synergies are achieved in the management of the Bank's compliance risk.

OUR COMPLIANCE RISK APPETITE

Access Bank Plc aims to be compliant with all applicable laws and regulations, internal company rules and policies governing its operations and established good business practices. Access Bank Plc ensures that this requirement is embedded in the culture of its business operations. Enhanced global AML and sanctions policies, incorporating the Bank's risk appetite, are effectively in use in the Bank. The policies adopt and seek to enforce the highest or most

effective standards globally, including a globally consistent approach to knowing our customers.

With respect to Compliance Risk, the Bank's appetite for Compliance Risk continues to be defined as follows; Zero tolerance for payment of fines and other penalties associated with regulatory infractions and non-compliance with laws, standards and rules. The primary compliance objective is to be among the top three (3) most compliant banks in all the jurisdictions we have our business operations. The Bank shall continuously aim to minimize the following compliance risk indicators:

- Reported exceptions by auditors, regulators and external rating agencies;
- Frequent litigations;
- Payment of fines and other regulatory penalties; and
- Unresolved customer complaints.

The Bank shall not compromise its reputation through unethical, illegal and unprofessional conduct in the market place. The Bank shall also maintain a zero appetite for association with disreputable persons and/or entities.

OUR ANTI-MONEY LAUNDERING PROGRAMME

Access Bank Plc has a Board approved AML/CFT programme. This is contained in the Bank's Compliance Manual which is reviewed and updated on an annual basis. Our Compliance Manual contains the policies approved by the Board. Some of these are the Politically Exposed Persons (PEP) Policy; Compliance Risk Management Policy, Compliance Charter etc.

Board members and all levels of staff are trained at least once every financial year on Anti-Money Laundering Combating Financing of Terrorism Know your Customer and Anti-Bribery and Corruption ('AML/CFT/KYC') as stated in the Bank's policy. New employees also undergo the same training as an induction course. The Bank organizes and ensures that staff attend webinars, conferences, workshops and trainings as part of its bankwide awareness program. Tests are conducted during such trainings to ensure employees understand the content and scope of the trainings.

All Access Bank staff sign the Annual Compliance Attestation message to affirm that they have read and understood the policies and procedures of the Bank relating to ethics, code of conduct, AML/CFT, Anti-Bribery and Corruption etc.

The Bank has designated a Non-Executive Director who is responsible for the Access Bank Plc Anti Money Laundering / Combating Financing of Terrorism (AML/CFT) program. With the Executive Compliance Officer and escalation protocol for compliance risk in place, the Enterprise-wide Risk Management Committee (ERM) and the Board via



the Board Risk Management Committee (BRMC) serve as channels for reporting compliance risk.

ANTI-BRIBERY AND CORRUPTION IMPLEMENTATION

Access Bank continues to adopt a zero-tolerance approach to bribery and corruption. The Bank conducts business affairs in a manner that shuns the use of corrupt practices or acts of bribery to obtain unfair advantage in our dealings within the markets and the communities we operate.

The Bank and all its subsidiaries have a Board approved policy which sets out the general rules and principles we adhere to and continue to communicate to all employees, directors, business associates as well as relevant partners, suppliers, vendors and other stakeholders the need to maintain high ethical and professional conduct while doing the Bank's business.

CONDUCT RISK IMPLEMENTATION

Conduct Risk: Detriment caused to our customers, clients, counterparties, or the Bank and its employees through inappropriate judgment in execution of business activities. We continue to review and improve how conduct risk is assessed and reported throughout our business. The Bank is committed to putting customers at the heart of the decisions, treating customers fairly and resolving customer

complaints within the shortest possible time.

STRATEGIC ALLIANCE & PARTNERSHIPS

As part of our contribution towards the enhancement of the financial industry's existing framework and initiatives to combat financial crimes and terrorist financing, the Conduct and Compliance Group continues to partner with DATAPRO Ltd and the Financial Institutions Training Centre (FITC) to organize training sessions on compliance risk management where compliance issues such as emerging risk regulations and standards, new international and regulatory landscape are discussed.

The Compliance Institute of Nigeria (CIN) which is a brain child of the Association of Chief Compliance Officers of Banks in Nigeria (ACCOBIN) is a network of experienced and certified Anti-Money Laundering (AML) and Anti-Terrorist Financing (ATF) professionals working on ground in Nigeria recently admitted over 120 Compliance and Internal Audit staff of the Bank as Compliance Designates, Associates and Fellows of the Institute. Our own Chief Conduct and Compliance Officer, Mr. Pattison Boleigha is presently the pioneer president of the Institute. Access Bank was also honored by the Association of Chief Compliance Officers of Banks in Nigeria (ACCOBIN) for the Bank's pivotal role during the pioneer stage of the Association.

OPERATIONAL RISK MANAGEMENT

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

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

This framework includes:

- recognized ownership of the risk by the businesses;
- oversight by independent risk management; and
- independent review by Corporate Audit.

We seek to minimise exposure to operational risk, subject to cost trade-offs. Operational risk exposures are managed through a consistent set of management processes that drive risk identification, assessment, control and monitoring.

The goal is to keep operational risk at appropriate levels relative to the characteristics of our businesses and the markets in which we operate, our capital and liquidity, and the competitive, economic and regulatory environment. Notwithstanding these controls, Access Bank incurs operational losses.

Our operational risk strategy seeks to minimise the impact that operational risk can have on shareholders' value. The Bank's strategy is to:

- Reduce the likelihood of occurrence of expected events and related cost by managing the risk factors and implementing loss prevention or reduction techniques to reduce variation to



earnings;

- Minimise the impact of unexpected and catastrophic events and related costs through risk financing strategies that would support the Bank's long term growth, cash flow management and balance sheet protection;
- Eliminate bureaucracy, improve productivity, reduce capital requirements and improve overall performance through the institution of well designed and implemented internal controls.

In order to create and promote a culture that emphasizes effective operational management and adherence to operating controls, there are three distinct levels of operational risk governance structure in Access Bank Plc.

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

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

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

THE GROUP'S OPERATIONAL RISK MANAGEMENT FRAMEWORK

The Group's current operational risk framework was implemented in 2007 to meet internal and regulatory requirements. There has been significant investment in the implementation of improved measurement and management approaches for operational risk to strengthen control, improve customer service, improve process efficiencies and minimise operating losses. The Group recognises the fact

that it is neither cost-effective nor possible to attempt to eliminate all operational risks. Events of small significance are thus expected to occur and are accepted as inevitable with relevant budgeting for these losses where appropriate. Events of material significance are limited and the Group seeks to reduce the risk from these extreme events in a framework consistent with its agreed risk appetite. Processes are in place to monitor the management and future mitigation of such events.

The role of the Operational Risk function is to establish, implement and maintain the operational risk framework for the modelling and managing of the Group's operational risk, while reinforcing and enabling operational risk management culture throughout the Group. The aim is to integrate, based on international norms and best practices, all operational risk activities and to compile a reliable operational risk profile contributing to the Group's risk- reward profile. The key advantage of this framework is the financial quantification and modelling of operational risks. This functionality has significantly improved the Group's operational risk measurement and management capabilities.

MANAGEMENT AND CONTROL RESPONSIBILITIES

The first line of governance for managing operational risk rests with business and operational risk management forms part of the day-to-day responsibilities of all business unit management. Business unit staff report any identified breakdowns in control and any risk events that may result in financial loss and/or reputation damage. Among others, business management is responsible for ensuring that processes for identifying and addressing ineffective controls and the mitigation of risk events are implemented and executed. Operational Risk teams form the secondary line of governance by ensuring that processes to identify weaknesses are effective and that identified weaknesses are acted upon. The Group operational risk profile is presented to the Board quarterly. Control effectiveness is monitored at the ERM and at the Board; this multi-layered system of defences ensures pro-active operational risk management.

MEASURING AND MANAGING OPERATIONAL RISK

The Group recognizes the significance of operational risk and is committed to enhancing the measurement and management thereof. Within the Group's operational risk framework, qualitative and quantitative methodologies and tools are applied (Group-wide) to identify and assess operational risks as well as providing management information for determining appropriate mitigating measures.

RISK EVENT DATA COLLECTION AND REPORTING

A standard process is used Group-wide for the recognition,



capture, assessment, analysis and reporting of risk events. This process is used to help identify where process and control requirements are needed to reduce the recurrence of risk events. Risk events are loaded onto a central database and reported monthly to the ERM. The Group also uses a database of external public risk events and is part of a consortium of international banks that share loss data information anonymously to assist in risk identification, assessment, modelling and benchmarking.

RISK AND CONTROL SELF-ASSESSMENTS (RCSA)

In order to pro-actively identify and actively mitigate risks, the operational risk framework utilises RCSAs. RCSA is used at a granular level to identify relevant material risks and key controls mitigating these risks. The risks and controls are assessed on a quarterly basis and relevant action plans are put in place to treat, tolerate, terminate or transfer the risks, taking into account the relevant business risk appetites. The RCSA programme is extensive and covers the entire Group. The Internal Audit further tests the effectiveness of the RCSAs within the normal course of auditing and relevant metrics are monitored and actioned where relevant.

KEY RISK INDICATORS (KRIs)

A comprehensive set of KRIs are in place across the Group, with relevant and agreed thresholds set by the business. KRIs are monitored on a Group as well as business unit level, based on significance. Threshold breaches are managed in accordance with an agreed process across the Group.

REPORTING

Business units are required to report on both regular and event-driven basis. The reports include a profile of the key risks to their business objectives, RCSA and KRI results, and operational risk events. Risk reports are presented to executive management and risk committees.

ALLOCATING CAPITAL TO BUSINESS UNITS

An allocation methodology is applied for allocating capital to business units. For each business unit, the allocation takes into consideration not only the size of the business unit, but also measures the business unit's control environment, namely open audit findings, RCSA results, and loss experience. This translates to a risk-sensitive allocation with the opportunity afforded to business units to identify actions to positively impact on their respective allocated operational risk capital.

INSURANCE MITIGATION

Insurance policies are used as a way to mitigate operational risks. These policies are current and remain applicable in the Group operating environment. Insurance coverage is purchased at Group or cluster level to discharge statutory and regulatory duties, or to meet counterparty commitments and stakeholder expectations. The primary insurance policies managed by the Group are:

- comprehensive crime and electronic crime;
- directors' and officers' liability; and
- professional indemnity.

In terms of the Advance Measurement Approach (AMA), the Group may adjust its operational risk exposure result by no more than 20% to reflect the impact of operational risk mitigants. Globally, the use of insurance and other risk transfer mechanisms for operational risk is in a state of rapid development and pioneering work is being done across the industry. While the Group has developed a methodology for the modelling of insurance, the Group will not apply risk mitigation in the calculation of its operational risk exposure until such time as insurance policies are compliant to regulatory minimum requirements.

INFORMATION SECURITY, DIGITAL BANKING AND CONTINUITY OF BUSINESS

In response to the increased cyber security threat to businesses globally, we have developed a Cyber Security Framework and adopted a defense in-depth approach to cover Cybersecurity practices, information security processes and infrastructure which includes: Cyber Security Governance, Operations and Infrastructure.

We have a holistic view of all the major risks facing the Bank and we remain vigilant with regard to both known and emerging global risks and ensure that we are strong enough to withstand any exogenous shocks by putting in place a 24/7 monitoring and analysis of security logs and external intelligence of the Bank's information and technology assets.

The continuous advancement and innovations in technology and the endless need to improve services have made digital banking a direction that the Bank must tap into with adequate mitigating approach to handle the inherent risks involved in the business. In response to the digitization needs, we have developed a Digital Banking Framework that will enable the Bank to adopt an overall risk appetite of "moderate risk" while adopting digitization processes in meeting the needs of our customers.

The Bank's Business Continuity Management ('BCM') practices are governed by a robust BCM framework, that clearly identifies critical assets and the vulnerabilities that those assets are subject to; it involves the analysis of the identified assets for business impact disruption; the develop-



ment of mitigation, recovery and business continuity plans; the processes for plan implementation, including training and awareness. Finally, the plan is continually reviewed for improvements.

The Incident Response Protocol consists of five key components: Incident Detection and Preliminary Assessment, Activation of the Incident Management Team, Evaluation and Containment of disaster impact, Invocation of Recovery Plan/ Corrective Measures, Tracking recovery progress and status of incident.

STRATEGIC RISK MANAGEMENT

In Access Bank, we define Strategic Risk as the process for identifying, assessing and managing risks and uncertainties, affected by internal and external events or scenarios that could inhibit the Bank's ability to achieve its strategy and strategic objectives with the ultimate goal of creating and protecting shareholder and stakeholder value. It is a primary component and necessary foundation of our Enterprise Risk Management.

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

A well-defined structure for managing strategic risk exists in Access Bank. It provides a process for the Bank to identify and assess potential risks posed by its strategic plan, and consider whether they have adequate capacity to withstand the risks. Strategic risk management involves various organizational functions within the Bank. The following principles govern the Bank's strategic risk management:

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

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

Access Bank, in compliance with the Basel II principles, uses Internal Capital Adequacy Assessment Process in assessing its Strategic Risk. To this end, it sees Strategic Risk as material risk that could result when the Bank fails to meet its performance targets or lacks sufficient cashflow to maintain its operations that may result in a negative impact on the Bank's operating result and financial condition.

This strategic risk could stem from adverse global economy, regulatory actions, improper analysis that can impact the implementation of decisions, lack of responsiveness to industry changes, inability to respond promptly to business opportunities, ineffective change management and communication process as well as the nature and activities of competitors.

Based on the foregoing, the Bank estimates a capital charge figure in relationship to its actual gross earnings to cover its strategic risk exposure, in line with its tolerance level.

The measures and controls it has put in place include the following:

Strategic plans are approved and monitored by the Board. Regular environmental scan, business strategy sessions and workshops are set up to discuss business decisions, close monitoring to ensure that strategic plans are properly aligned with the business model, regular performance review by Executive Management and business plans are approved by the Board. The Bank also maintains a well-defined succession plan, proper monitoring and well defined structures to align its activities to international best practices.



REPUTATIONAL RISK MANAGEMENT

Reputational risk arises when the Bank's reputation is damaged by one or more reputational events from negative publicity about the organization's business practices, conduct or financial condition. The Bank's Strategic and Reputational Risk Management is mandated to protect the Bank from potential threats to its reputation. The team continuously uses proactive means in minimizing the effects of reputational events, thereby averting the likelihood of major reputational crises with the view of ultimately ensuring the survival of the organization. The Bank has put in place a framework to properly articulate, analyze and manage reputational risk factors.

Access Bank takes the management of reputational risks seriously because of its far-reaching implications which are buttressed by the fact that the Bank operates under:

- A highly regulated financial services industry with high visibility and vulnerability to regulatory actions that may adversely impact its reputation. (e.g. corporate governance crises);
- Keen competition and largely homogeneous products and services have led customers not to perceive significant differences between financial service providers; and
- Given the financing nature of products and services they provide, banks are not only exposed to their own reputation, but also to the reputation of their clients.

With banks operating and competing in a global environ-

ment, risks emerging from a host of different sources and locations is difficult to keep up with and to know how best to respond if they occur. The effects of the occurrence of a reputational risk event include but are not limited to the following:

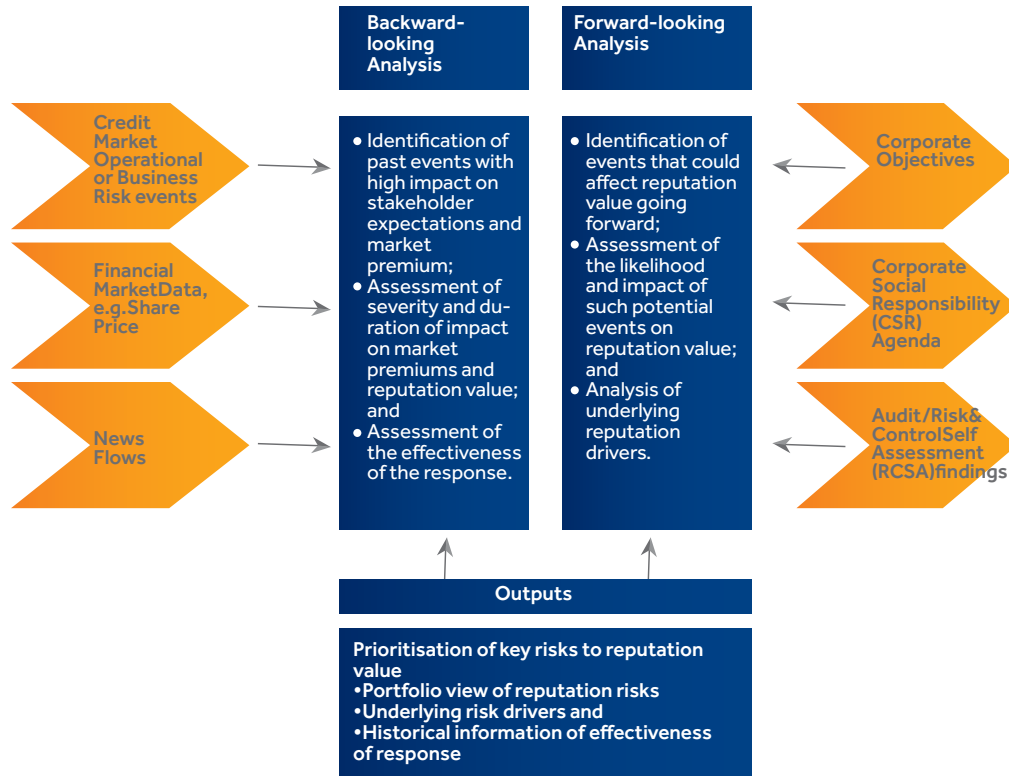
- Loss of current or future customers;
- Loss of public confidence;
- Loss of employees leading to an increase in hiring costs, or staff downtime;
- Reduction in current or future business partners;
- Increased costs of capitalization via credit or equity markets;
- Regulatory sanctions;
- Increased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

The Group policy provides for the protection of the Group's reputation and should at all times take priority over all other activities, including revenue generation. Reputational risk will arise from the failure to effectively mitigate one or more of country, credit, liquidity, market, regulatory and operational risk. It may also arise from the failure to comply with social, environmental and ethical standards. All employees are responsible for day-to-day identification and management of reputational risk.

The desired risk appetite for reputation is low risk (1). The Bank will ensure that highest ethical standards are followed at all times and the code of conduct policy will be strictly implemented.



KEY DRIVERS OF REPUTATIONAL RISK



In identifying reputational risk factors, the Bank makes use of the output of a risk identification process. At the end of the risk identification sessions, risk profiles are derived and analyzed and risk events identified with possible negative reputational Impact on the Bank.

This analysis is performed against the background of the Bank's corporate objectives, its corporate social responsibility agenda and external factors. Access Bank seeks to leverage existing information from audit findings, risk and control self-assessments, environmental scanning and

scenario planning processes in mitigating reputational risk issues

COMPILATION OF TRIGGER EVENTS

In order to assist in the identification of key reputational risk events, triggers that would set off the risk drivers should be compiled through workshops with participants from relevant business units. The following table illustrates few trigger events for relevant risk drivers.

Risk Drivers	Trigger Events
Corporate governance and leadership	<ul style="list-style-type: none"> • Corporate frauds and scandals; • Association with dishonest and disreputable characters as directors, management • Association with politically exposed persons • Incidence of shareholders conflict and Board Instability.
Regulatory Compliance	<ul style="list-style-type: none"> • Non - Compliance with laws and regulation; • Non submission of Regulatory returns
Delivering customer promise	<ul style="list-style-type: none"> • Security Failure • Shortfall in quality of service/fair treatment; • Bad behavior by employees



Workplace talent and culture	<ul style="list-style-type: none"> • Unfair employment practices • Not addressing employee grievances • Uncompetitive remuneration
Corporate social responsibility	<ul style="list-style-type: none"> • Lack of community development initiatives
Corporate Culture	<ul style="list-style-type: none"> • Lack of appropriate culture to support the achievement of business objective. • Ineffective risk management practices. • Unethical behaviors on the part of staff and management. • Lack of appropriate structure for employees to voice their concerns
Risk Management and Control Environment	<ul style="list-style-type: none"> • Inadequate Risk Management and Control environment • Continuous violations of existing policies and Procedures
Financial Soundness and Business viability	<ul style="list-style-type: none"> • Consistent poor financial performance • Substantial losses from unsuccessful Investment
Crisis Management	<ul style="list-style-type: none"> • Inadequate response to a crisis or even a minor incident

EVENTS DATA ANALYSIS

Events data analysis is conducted to assess the gap between performance of the Bank and the expectation of stakeholders. The nature of the gap and the reasons for the gap is analyzed for ensuing corrective action. Example of events data analyzed is furnished below:

- Evaluating types of marketing efforts and implications for Reputational Risk;
- Analysis of number of accounts opened vs. closed;
- Calling effort analysis;
- Complaint log analysis; and
- Error resolution review.

POST REPUTATION EVENT REVIEWS

After a reputation event, the post-event review will be conducted by Internal Audit and Risk Management Division to identify any lessons learnt, or problems and weaknesses revealed, from the event. Such reviews will be useful for providing feedback and recommendations for enhancing the Bank's reputation risk management process, and should at least be conducted on any major event affecting Access Bank. The Board and senior management will be promptly informed of the results of any such review conducted so that they can take appropriate actions to improve their capacity to manage reputational risk.

APPROACH TO MANAGING REPUTATION RISK EVENTS

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



CAPITAL RISK MANAGEMENT

Capital risk is the risk that the Bank's total capital base is not properly managed in a prudent manner.

- to maintain an investment grade credit rating; and
- to achieve a return above the cost of equity.

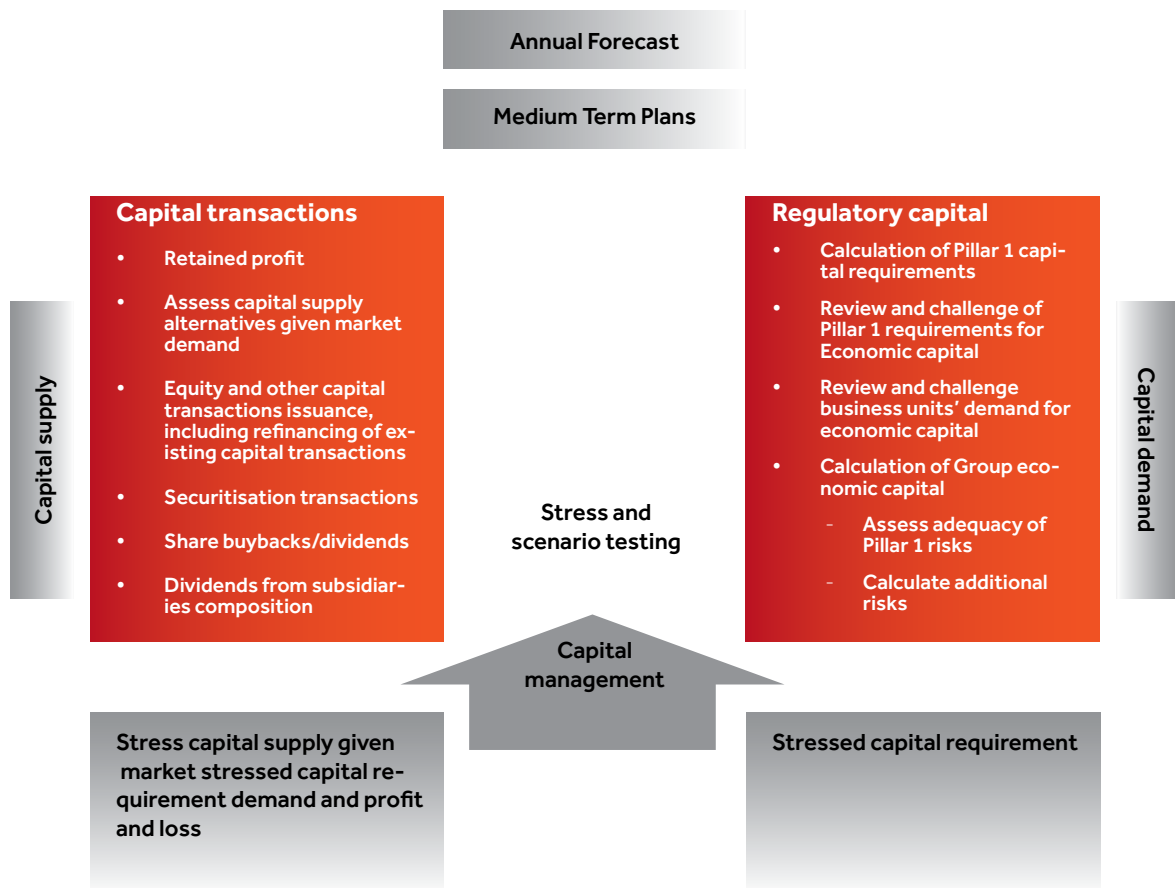
The Group has a number of capital management objectives:

- to meet the capital ratios required by its regulators and the Group's Board;
- to maintain an adequate level of available capital resources as cover for the economic capital (EC) requirements calculated at a 99.95% confidence level;
- to generate sufficient capital to support asset growth;

CAPITAL MANAGEMENT STRATEGY:

The Group's capital management strategy is focused on maximizing shareholder value by optimizing the level and mix of capital resources. Decisions on the allocation of capital resources are based on a number of factors including returns on Economic Capital (EC) and on Regulatory Capital (RC), and are part of the Internal Capital Adequacy Assessment Process (ICAAP).

Capital Management Process





IMPORTANCE OF CAPITAL MANAGEMENT

Capital is managed as a Board level priority in the Group which reflects the importance of capital planning. The Board is responsible for assessing and approving the Group's capital management policy, capital target levels and capital strategy.

A capital management framework provides effective capital planning, capital issuance, Basel II alignment, EC utilisation and Economic Profit (EP) performance measurement criteria. The above diagram illustrates the process the Group follows to ensure end-to-end integration of the Group's strategy, risk management and financial processes into the capital management process. The purpose is to ensure that capital consumption in the business divisions has an impact on performance measurement, which in turn translates into management performance assessment and product pricing requirements and achievement of the overall strategy within risk appetite.

FRAUD AND FORGERIES REPORT

During the year under review, the Bank recorded 2,206 fraud cases. Out of which 2,177 fraud cases (98%) relate to Cards/E-Channels/USSD frauds. These led to a total fraud loss of N86.94million. Also, there were 3 cases of successful robbery incidents which led to a loss of N11.19million.

However, this amount is recoverable from insurance.

Access Bank has put measures in place to ensure that incidence of fraud is reduced to the barest minimum. These include:

- More focus on cybercrime intelligence and prevention
- Proactive monitoring by Anti- Fraud Unit
- Zero tolerance for staff fraud. Dismissal and prosecution of any staff involved in fraud.
- Training and awareness on fraud risk issues
- Customer awareness through emails, SMS and ATMs.
- Background checks on staff
- Collaboration with other industry operators to frustrate fraud attempts.

See note 4 for Credit Risk, Market Risk and Liquidity Risk Management Framework.

03 | GOVERNANCE





Access Bank's Directors, their functions; implementing the best standards of corporate governance.

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GREAT TEAM

SECURING

TOMORROW







THE BOARD

FOR THE YEAR ENDED 31 DECEMBER, 2017



MOSUN
BELO-OLUSOGA, FCA

CHAIRMAN

Appointed November 2007



EMMANUEL
CHIEJINA

NON-EXECUTIVE DIRECTOR

Retired Effective June 23, 2017

COMMITTEE MEMBERSHIP

- Board Governance and Nomination Committee
- Board Risk Management Committee
- Board Remuneration Committee
- Board Credit and Finance Committee



ANTHONIA O. OGUNMEFUN

NON-EXECUTIVE DIRECTOR

Appointed April 2011

COMMITTEE MEMBERSHIP

- Board Credit and Finance Committee
- Board Governance and Nomination Committee
- Board Remuneration Committee
- Board Risk Management Committee
- Board Digital and Information Technology Committee



Dr. ERNEST NDUKWE, OFR

INDEPENDENT NON-EXECUTIVE DIRECTOR

Appointed December 2012

COMMITTEE MEMBERSHIP

- Board Audit Committee
- Board Credit and Finance Committee
- Board Governance and Nomination Committee
- Board Remuneration Committee
- Board Digital and Information Technology Committee
- Board Risk Management Committee
- Shareholders Audit Committee



Dr. AJORITSEDERE **AWOSIKA**, MFR

INDEPENDENT NON-EXECUTIVE DIRECTOR

Appointed April 2013

COMMITTEE MEMBERSHIP

- Board Audit Committee
- Board Credit and Finance Committee
- Board Governance and Nomination Committee
- Board Remuneration Committee
- Board Digital and Information Technology Committee
- Shareholders Audit Committee

PAUL **USORO**, SAN

NON-EXECUTIVE DIRECTOR

Appointed January 2014

COMMITTEE MEMBERSHIP

- Board Audit Committee
- Board Credit and Finance Committee
- Board Governance and Nomination Committee
- Board Remuneration Committee
- Board Risk Management Committee



ABBA MAMMAN **TOR HABIB**

NON-EXECUTIVE DIRECTOR

Appointed January 2016

COMMITTEE MEMBERSHIP

- Board Audit Committee
- Board Credit and Finance Committee
- Board Risk Management Committee
- Board Digital and Information Technology Committee
- Shareholders Audit Committee





IBOROMA AKPANA
INDEPENDENT NON-EXECUTIVE DIRECTOR
Appointed March 2017

COMMITTEE MEMBERSHIP

- Board Credit and Finance Committee
- Board Governance and Nomination Committee
- Board Remuneration Committee
- Board Digital and Information Technology Committee
- Board Risk Management Committee



ADENIYI ADEKOYA
INDEPENDENT NON-EXECUTIVE DIRECTOR
Appointed March 2017

COMMITTEE MEMBERSHIP

- Board Audit Committee
- Board Credit and Finance Committee
- Board Governance and Nomination Committee
- Board Digital and Information Technology Committee
- Board Risk Management Committee



HERBERT WIGWE
GROUP MANAGING DIRECTOR / CEO
Appointed GMD/CEO January 2014

COMMITTEE MEMBERSHIP

- Board Credit and Finance Committee
- Board Governance and Nomination Committee
- Board Risk Management Committee
- Board Digital and Information Technology Committee





OBINNA NWOSU

GROUP DEPUTY MANAGING DIRECTOR/COO

Resigned Effective April 30, 2017

COMMITTEE MEMBERSHIP

- Board Credit and Finance Committee
- Board Risk Management Committee

ROOSEVELT OGBONNA, FCA

GROUP DEPUTY MANAGING DIRECTOR

Appointed GDMD effective May 1, 2017

COMMITTEE MEMBERSHIP

- Board Credit and Finance Committee
- Board Risk Management Committee
- Board Digital and Information Technology Committee



VICTOR ETUOKWU, HCIB

EXECUTIVE DIRECTOR

Appointed January 2012

COMMITTEE MEMBERSHIP

- Board Credit and Finance Committee



OJINIKA
OLAGHERE, FCA

EXECUTIVE DIRECTOR
Appointed October 2013

COMMITTEE MEMBERSHIP

- Board Risk Management Committee



TITI OSUNTOKI, HCIB

EXECUTIVE DIRECTOR
Appointed October 2013

COMMITTEE MEMBERSHIP

- Board Credit and Finance Committee



DR. GREGORY **JOBOME**

EXECUTIVE DIRECTOR
Appointed January 2017

COMMITTEE MEMBERSHIP

- Board Credit and Finance Committee
- Board Risk Management Committee
- Board Digital and Information Technology Committee



HADIZA **AMBURSA**

EXECUTIVE DIRECTOR
Appointed November 2017

COMMITTEE MEMBERSHIP

- Board Credit and Finance Committee



SUNDAY EKWOCHI, HCIB
COMPANY SECRETARY





EXECUTIVE MANAGEMENT



HERBERT WIGWE, FCA
Group Managing Director &
Chief Executive Officer



ROOSEVELT OGBONNA, FCA
Group Deputy Managing Director



VICTOR ETUOKWU, HCIB
Executive Director,
Personal Banking



OJINI OLAGHERE, FCA
Executive Director,
Operations & IT.



TITI OSUNTOKI, HCIB
Executive Director,
Business Banking



GREGORY JOBOME
Executive Director,
Risk Management



HADIZA AMBURSA
Executive Director,
Commercial Banking, North



OUR SUBSIDIARIES



DOLAPO OGUNDIMU
Managing Director,
Access Bank (Ghana) Plc



DAVID ALUKO
Managing Director,
Access Bank (Gambia) Ltd



ARINZE OSUACHALA
Managing Director,
Access Bank (R.D. Congo) SARL



JEAN-CLAUDE KARAYENZI
Managing Director,
Access Bank (Rwanda) Ltd



DAMOS SOLARU
Managing Director,
Access Bank (Sierra-Leone) Ltd



JAMIE SIMMONDS
Managing Director,
The Access Bank (UK) Ltd



JOANA BANNERMAN
Managing Director,
Access Bank (Zambia) Ltd



STATUTORY AUDIT COMMITTEE



HENRY O. ARAGHO, FCA
Chairman



IDAERE GOGO-OGAN
Member



OLUTOYIN E. ELEORAMO
Member



ERNEST NDUKWE, OFR
Member



DR. AJORITSEDERE AWOSIKA, MFR
Member



ABBA MAMMAN TOR HABIB
Member

GOVERNANCE

DIRECTORS, OFFICERS AND PROFESSIONAL ADVISORS

This is the list of Directors who served in the entity during the 2017 financial year

	DIRECTOR	
1	Mosun Belo-Olusoga	Chairman
2	Herbert Onyewumbu Wigwe	Group Managing Director/CEO
3	Obinna David Nwosu*	Group Deputy Managing Director/COO
4	Roosevelt Michael Ogbonna**	Group Deputy Managing Director
5	Ernest Chukwuka Ndukwe, OFR	Independent Non-Executive Director
6	Anthonia Olufeyikemi Ogunmefun	Non-Executive Director
7	Paul Usoro, SAN	Non-Executive Director
8	Emmanuel Chiejina***	Non-Executive Director
9	Abba Mamman Tor Habib	Non-Executive Director
10	Ajoritsedere Josephine Awosika	Independent Non-Executive Director
11	Adeniyi Adekoya****	Independent Non-Executive Director
12	Iboroma Akpana*****	Independent Non-Executive Director
13	Victor Okenyenbunor Etuokwu	Executive Director
14	Ojinika Nkechinyelu Olaghere	Executive Director
15	Titi Osuntoki	Executive Director
16	Gregory Jobome*****	Executive Director
17	Hadiza Ambursa*****	Executive Director

* Resigned effective April 30, 2017

** Appointed GDMD effective May 1, 2017

*** Retired effective June 23, 2017

**** Appointed effective March 7, 2017

***** Appointed effective March 8, 2017

***** Appointed effective January 17, 2017

***** Appointed November 28, 2017

Company Secretary

Sunday Ekwochi

Corporate Head Office

Access Bank Plc

Plot 999c, Danmole Street,

Victoria Island, Lagos.

Telephone: +234 (01) 4619264 - 9

+234 (01) 2773399-99

Email: info@accessbankplc.com

Website: www.accessbankplc.com

Company Registration Number: RC125 384

FRC Number: FRC/2012/000000000271

Independent Auditor

PricewaterhouseCoopers

Landmark Towers, 5b Water Corporation way, Oniru

Victoria Island, Lagos.

Telephone: (01) 271 1700

Website: www.pwc.com/ng

Actuaries

Alexander Forbes Consulting Actuaries Nig. Ltd

Rio Plaza, 2nd Floor, Plot 235, Muri Okunola Street,

Victoria Island, Lagos.

Telephone: (01) 271 1081

FRC Number: FRC/2012/0000000000504

Registrars

United Securities Limited

10 Amodu Ojikutu Street

Victoria Island, Lagos.

Telephone: +234 01 730898

+234 01 730891

Email: info@unitedsecuritieslimited.com

Website: www.unitedsecuritieslimited.com

Corporate Governance Consultant

Accenture Ltd.

2nd Floor Citibank Building

27, Kofo Abayomi Street,

Victoria Island, Lagos.

Tel: +234 012707100

FRC Number:

FRC/2013/0000000001544



MANAGEMENT TEAM

As at December 31, 2017

EXECUTIVE DIRECTORS

Herbert Wigwe	Group Managing Director/CEO
Roosevelt Ogbonna	Group Deputy Managing Director
Victor Etuokwu	Personal Banking Division
Ojinika Olaghere	Operations & IT
Titi Osuntoki	Business Banking Division
Gregory Jobome	Risk Management
Hadiza Ambursa	Commercial Banking, North

GENERAL MANAGERS

Bolaji Agbede	Head, Group Human Resources
Pattison Boleigha	Chief Conduct & Compliance Officer
Banjo Adegbohunbe	Group Head, Corporate Operations
Arinze Okeke	Group Head, Commercial Banking, Port Harcourt & East
Yinka Tiamiyu	Chief Audit Executive
Seyi Kumapayi	Chief Financial Officer
Abiye Koko	Chief Information Officer
Iyabo Soji-Okusanya	Group Head, Telecoms Group

DEPUTY GENERAL MANAGERS

Abraham Aziegbu	Group Head, Retail Operations
Aladepe Olajide	Zonal Head, Commercial Banking, Ikeja Zone
Chukwujekwu Ozoemene	Group Head, Business Banking, Port Harcourt & South
Fatai Oladipo	Group Head, Corporate Counsel
Ifeanyi Emeziele	Head, Anti-Fraud Unit
Joyce Dimkpa	Group Head, Upstream Oil and Gas Group
Kameel Adebayo	Head, Conduct and Compliance-Subsidiaries
Lookman Martins	Group Head, Commercial Banking, West
Maryann Ezechukwu	Group Head, Channels Group
Nixon Iwedi	Group Head, Food and Beverages Group
Olumide Olatunji	Group Head, Commercial Banking, Lagos
Ope Wemi-Jones	Group Head, Women and Inclusive Banking Management
Tunde Balogun	Group Head, Private Banking
Yinka J. Abdulraheem	Head, Conduct & Compliance Nigeria

SUBSIDIARIES

Adesipe Ologun	Chief Operating Officer, Access Bank Zambia
Arinze Osuachala	Managing Director, Access Bank Congo
Ayobami Adegoke	Chief Operating Officer, Access Bank Rwanda
Damos Solaru	Managing Director, Access Bank Sierra Leone
David Aluko	Managing Director, Access Bank Gambia
Dolapo Ogundimu	Managing Director, Access Bank Ghana
Ifeanyi Njoku	Executive Director, Access Bank Ghana
Kola Ajimoko	Executive Director, Access Bank Ghana
Jean-Claude Karayenzi	Managing Director, Access Bank Rwanda
Joana Bannerman	Managing Director, Access Bank Zambia

ASSISTANT GENERAL MANAGERS

Adedoyin Coker	Group Head, Personal Banking, Abuja
Adeleke Adekoya	Head, Digital Banking- Channel Services
Adewale Salami	Zonal Head, Retail operations, South South
Amaechi Okobi	Head, Strategic Brand Management
Ayokunle Olajubu	Group Head, Value Chain Management
Bolaji Durojaiye	Group Head, Credit Portfolio & Governance
Bolarinwa Animashaun	Group Head, Business Banking, Apapa Zone
Chinwe Uzoho	Group Head, Personal Banking, Lagos Mainland
Chizoba Okafor	Group Head, Commercial Banking Group, Port Harcourt & South
Chris Esezobor	Head, Channel Services
David Ajayi	Group Head, Agric Business
Eze Emeka	Group Head, Business Banking Group, Abuja
Ganiyu Sanni	Head Facilities, Projects & Properties
Halima Kyari	Group Head, Personal Banking, Victoria Island
John Iyaji	Zonal Head, Business Banking, North Central and North East
Mac Atom	Head, Investigation Unit
Mohammed Darma	Group Head, Commercial Banking, North
Mohammed Usman	Group Head, Business Banking, North West
Moses Chukwu	Group Head, Personal Banking, Port Harcourt & South
Neka Adogu	Group Head, Commercial Banking Group, Abuja
Njideka Esomeju	Group Head, Personal Banking, Victoria Island
Nsikak Usoro	Head, Public Sector, Abuja
Ofem Ofem	Head, IT Infrastructural Services
Olasunmbo Olatunji	Country Treasurer
Oluwatoyin Oguntuyi	Group Head, Transportation and Household utilities
Paul Asiemu	Head, Risk Analytics
Ralph Opara	Zonal Head, Commercial Banking, Lagos Mainland
Seun Olufeko	Group Head, Projects & Structured Finance
Sunday Ekwochi	Company Secretary
Titilola Oladejo	Head, Financial Institutions
Toyese Soladayo	Head, IT Governance, Planning & Architecture
Victor Okafor	Group Head, Downstream Oil & Gas Group
Yewande Shoneye-Vaughan	Group Head, Business Banking Victoria Island

Directors' Report

For the year ended 31 December, 2017

The Directors have pleasure in presenting their report on the affairs of Access Bank Plc (the "Bank") together with its subsidiaries (the "Group"), and the Bank Audited Financial Statements with Auditor's Report for the year ended 31 December, 2017.

Legal form and principal activities

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

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

The Bank has the following international banking subsidiaries: Access Bank (Gambia) Limited, Access Bank (Sierra Leone) Limited, Access Bank (Zambia) Limited, The Access Bank (UK) Limited, Access Bank (Ghana) Plc, Access Bank Rwanda, Access Bank (D.R. Congo). The Bank also has Access Finance BV, an offshore Special Purpose Vehicle for the issuance of the U.S.\$350,000,000, 7.25 Per Cent Guaranteed Notes Due 2017 guaranteed by the Bank. During the year, the Bank redeemed the outstanding USD237,003,000 (see note 35). Following the Bank's redemption of the Notes, Access Finance BV will be undergoing voluntary liquidation in 2018. The Bank also operates a Representative office in China, India and Lebanon. The Access Bank (UK) Limited operates a branch in United Arab Emirates (UAE).

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

Operating results

Highlights of the Group's operating results for the year are as follows:

	Group Dec-17	Group Dec-16	Bank Dec-17	Bank Dec-16
<i>In thousands of Naira</i>				
Gross earnings	459,075,779	381,320,783	398,161,575	331,000,972
Profit before income tax	80,072,480	90,339,456	67,043,501	80,579,576
Income tax expense	(18,081,628)	(18,900,109)	(13,804,679)	(16,553,441)
Profit for the year	61,990,852	71,439,347	53,238,822	64,026,135
Other comprehensive income	28,999,933	32,060,674	12,352,975	12,653,178
Total comprehensive income for the year	90,990,786	103,500,021	65,591,797	76,679,312
Non-controlling interest	880,879	2,258,752	-	-
Profit attributable to equity holders of the Bank	90,109,906	101,241,269	65,591,797	76,679,312
<i>In thousands of Naira</i>				
Earnings per share - Basic (k)	218	250	184	221
Dividend (paid):				
Interim dividend paid	7,231,993	7,231,993	7,231,993	7,231,993
Final dividend for 2016 paid in 2017	-	11,571,189	-	11,571,189
Proposed final dividend declared in 2017 to be paid in 2018	11,571,189	-	11,571,189	-



	Group Dec-17	Group Dec-16	Bank Dec-17	Bank Dec-16
<i>In thousands of Naira</i>				
Total equity	515,447,409	454,494,580	469,491,097	421,678,620
Total impaired loans and advances	101,349,866	39,438,630	82,496,444	31,546,928
Total impaired loans and advances to gross risk assets (%)	4.76%	2.10%	4.28%	1.80%

Interim dividend

The Board of Directors proposed and paid Interim Dividend of 25 Kobo per ordinary shares (HY2016: 25K) payable to shareholders on the register of shareholding at the closure date. Withholding Tax was deducted at the time of payment.

Proposed dividend

The Board of Directors has proposed a Final Dividend of 40 kobo (FY2016: 40 Kobo) per ordinary share payable to shareholders on the register of shareholding at the closure date. Withholding tax will be deducted at the time of payment.

Directors and their interests

The Directors who served during the year, together with their direct and indirect interests in the issued share capital of the Bank as recorded in the Register of Directors' Shareholding and as notified by the Directors for the purposes of Sections 275 and 276 of the Companies and Allied Matters Act and listing requirements of the Nigerian Stock Exchange are noted below:

Number of Ordinary Shares of 50k each held as at

	31-Dec-17		31-Dec-16	
	Direct	Indirect	Direct	Indirect
M. Belo-Olusoga- Chairman	3,604,838	-	3,604,838	-
H. O. Wigwe - GMD/CEO	206,231,713	2,480,582,395	206,231,713	2,480,582,395
O. D Nwosu - GDMD*	30,004,585	-	30,004,585	-
R. C. Ogbonna - GDMD**	28,000,558	-	28,000,558	-
E. Chiejina***	9,441,005	-	9,441,005	-
K. Ogunmefun	-	1,457,263	-	1,309,763
V.O. Etuokwu	13,579,889	-	13,579,889	-
O.N. Olaghere - ED	19,451,332	-	19,451,332	-
T. Osuntoki - ED	28,728,854	-	28,728,854	-
P. Usoro	1,209,634	-	1,209,634	-
A. Awosika	-	-	-	-
E. Ndukwe	700,000	-	700,000	-
A. Mamman Tor Habib	-	-	-	-
G. Jobome - ED****	5,264,346	-	-	-
I. T. Akpana*****	314,996	-	-	-
A. A. Adekoya*****	-	-	-	-
H. Ambursa*****	6,927,181	-	-	-

* Resigned effective April 30, 2017

** Appointed GDMD effective May 1, 2017

*** Retired effective June 23, 2017

**** Appointed effective January 17, 2017

***** Appointed effective March 8, 2017

***** Appointed effective March 7, 2017

***** Appointed effective November 28, 2017

The indirect holdings relate to the holdings of the underlisted companies

		Dec-17	Dec-16
H.O. Wigwe	United Alliance Company of Nig. Ltd	1,075,468,437	1,075,468,437
	Trust and Capital Limited	1,405,113,958	1,405,113,958
A.O. Ogunmefun	L.O.C Nominees, Limited	1,457,263	1,309,763



DIRECTORS' INTEREST IN CONTRACTS

In accordance with the provisions of Section 277 (1) and (3) of the Companies and Allied Matters Act of Nigeria, the Board has received declaration of Interest from the under-listed Directors in respect of the companies (vendors to the Bank) set against their respective names.

Related director	Interest in entity	Name of company	Services to the Bank
Mosun Belo- Olusoga	Director/Shareholder	The KRC Ltd.	Training services
Paul Usoro	Director	Airtel Nigeria Ltd	Mobile telephone services
Paul Usoro	Shareholder	Paul Usoro & Co	Legal Advisory Service
Herbert Wigwe	Shareholder	Coronation Securities Ltd.	Brokerage services
Herbert Wigwe	Shareholder	Wapic Insurance Plc	Insurance Services
Ojinika Olaghere	Shareholder	Wapic Insurance Plc	Insurance Services
Victor Etuokwu	Director	Unified Payment Service Limited	Payment Services
Victor Etuokwu	Director	E-Tranzact Plc	Electronic Banking
Gregory Jobome	Director	CRC Credit Bureau Limited	Credit Reference Services
Hadiza Ambursa	Shareholder	Merlion Limited	Supply of Corporate Gifts

Analysis of shareholding:

The shareholding pattern of the Bank as at 31 December 2017 was as stated below:

31 December 2017

Range	Number of Shareholders	% of Shareholders	Number of shares held	% of Shareholders
Domestic Shareholders				
1 - 1,000	409,137	50.42	65,414,590	0.23
1,001 - 5,000	248,511	30.63	549,191,711	1.90
5,001 - 10,000	64,519	7.95	442,048,836	1.53
10,001 - 50,000	68,729	8.47	1,381,041,857	4.77
50,001 - 100,000	10,251	1.26	743,235,420	2.57
100,001 - 500,000	7,460	0.92	1,492,453,851	5.16
500,001 - 1,000,000	839	0.10	603,331,724	2.09
1,000,001 - 5,000,000	725	0.09	1,433,699,206	4.96
5,000,001 - 10,000,000	100	0.01	709,612,638	2.45
10,000,001 and above	152	0.02	19,137,906,166	66.16
	810,423	99.88	26,557,935,999	91.81
Foreign Shareholders				
1 - 1,000	237	0.03	74,058	0.00
1,001 - 5,000	231	0.03	601,857	0.00
5,001 - 10,000	116	0.01	859,059.00	0.00
10,001 - 50,000	275	0.03	6,423,779	0.02
50,001 - 100,000	57	0.01	4,013,961.00	0.01
100,001 - 500,000	25	0.00	4,276,094	0.01
500,001 - 1,000,000	4	0.00	2,314,669.00	0.01
1,000,001 - 5,000,000	3	0.00	8,473,930	0.03
5,000,001 - 10,000,000	1	0.00	9,485,549.00	0.03
10,000,001 and above	10	0.00	2,333,512,676	8.07
	959	0.12	2,370,035,632	8.19
Total	811,382	100.00	28,927,971,631	100.00



The shareholding pattern of the Bank as at 31 December 2016 is as stated below:

Range	31 December 2016			
	Number of Shareholders	% of Shareholders	Number of shares held	% of Shareholders
Domestic Shareholders				
1 - 1,000	311,899	38.11%	291,947,697	1.01%
1,001 - 5,000	348,102	42.54%	325,834,483	1.13%
5,001 - 10,000	65,876	8.05%	450,728,829	1.56%
10,001 - 50,000	70,694	8.64%	1,419,116,782	4.91%
50,001 - 100,000	10,665	1.30%	770,033,755	2.66%
100,001 - 500,000	4,960	0.61%	1,270,715,195	4.39%
500,001 - 1,000,000	4,016	0.49%	1,028,674,206	3.56%
1,000,001 - 5,000,000	701	0.09%	1,793,551,064	6.20%
5,000,001 - 10,000,000	234	0.03%	597,850,355	2.07%
10,000,001 and above	176	0.02%	17,539,853,849	60.63%
	817,323	99.88%	25,488,306,214	88.11%
Foreign Shareholders				
1 - 1,000	224	0.03%	322,241	0.00%
1,001 - 5,000	250	0.03%	359,645	0.00%
5,001 - 10,000	114	0.01%	842,655.00	0.00%
10,001 - 50,000	292	0.04%	7,013,024	0.02%
50,001 - 100,000	60	0.01%	4,209,366.00	0.01%
100,001 - 500,000	21	0.00%	4,802,620	0.02%
500,001 - 1,000,000	17	0.00%	3,887,835.13	0.01%
1,000,001 - 5,000,000	3	0.00%	7,235,786	0.03%
5,000,001 - 10,000,000	1	0.00%	2,411,928.75	0.01%
10,000,001 and above	13	0.00%	3,408,580,316	11.78%
	995	0.12%	3,439,665,417	11.89%
Total	818,318	100%	28,927,971,631	100%

Shareholding Analysis as at 31 December 2017

Type of Shareholding	Holdings	Holding %
Retail investors	11,492,681,982	39.73%
Domestic institutional investors	17,146,566,231	59.27%
Foreign institutional investors	267,380,817	0.92%
Government related entities	21,342,601	0.07%
	28,927,971,631	100%

Substantial interest in shares

According to the register of members as at 31 December, 2017, the following shareholders held more than 5% of the issued share capital of the Bank as follows:

	31 December 2017		31 December 2016	
	Number of shares held	% of share-holding	Number of shares held	% of share-holding
Stanbic Nominees Nigeria Limited*	5,265,792,806	18.20%	4,622,161,946	16.00%

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



Donations and charitable gifts

The Bank identifies with the aspirations of the community and the environment in which it operates. The Bank made contributions to charitable and non-charitable organisations amounting to N567,027,158 (December 2016: N285,339,153) during the year, as listed below:

S/N	Beneficiary	Purpose	Amount
1	The Africa Center	Donation to Africa Centre	150,000,000
2	Access Conference and Youth Initiative	Access Conference and Youth Initiative	125,000,000
3	Fire Diasaster Victims	Donations to Fire Diasaster Victims	100,000,000
4	National Youth Service Corps	Donation to National Youth Service Corps	77,798,792
5	Green Impact	Donation in favour of Green Impact Initiative	27,063,366
6	Brains Initiative	Donation for 2017 Brains Initiative	14,525,000
7	United Nations Global Compact	Sponsorship of 15th anniversary of United Nations Global Compact	12,250,000
8	United Nations Environment Programme	Sponsorship of United Nations Environment Programme	10,890,000
9	Nigerian Football Federation	Donation to Nigerian Football Federation	10,000,000
10	Association of Senior Staff of Banks Insurance & Financial Institutions (ASSBIF)	Sponsorship of Capacity Building Programme	10,000,000
11	Nigerian Economic Summit	Sponsorship of 23rd Nigerian Economic Summit	5,000,000
12	Hacey Health Initiative	Contribution towards World Health Day 2017	5,000,000
13	Hacey Health Initiative	Contribution towards Launch of Sexual Violence Response Platform	4,000,000
14	Nirvana Initiative	Contribution towards World Tuberculosis Day	4,000,000
15	COPE Initiative	Contribution towards Breast Cancer Screening	3,000,000
16	CSR-in-Action	Sponsorship of 6th SITEI Conference	2,000,000
17	Dreamland Foundation	Donation to Dreamland Foundation for Economic Empowerment	1,000,000
18	Center for Sustainable Development	Donation to Centre of Ethics Colloquim	1,000,000
19	Africa Clean Up Initiative	Donation to Africa Clean Up Initiative	1,000,000
20	Risk Managers Association of Nigeria (RIMAN)	Sponsorship of RIMAN Annual Conference	1,000,000
21	Women in Management and Business (WIMBIZ)	Sponsorship of WIMBIZ 16th Annual Conference	1,000,000
22	United Nations Urban Development	Sponsorship of UN's Urban Development on World Habitat Day	1,000,000
23	CVL Widow Support Scheme	Donation to CVL Widow Support Centre	500,000
			567,027,158

Property and equipment

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

Human resources

(i) Report on Diversity in employment

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

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



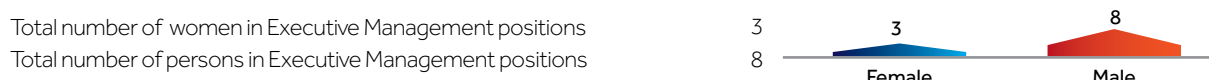
(a) Composition of employees by gender



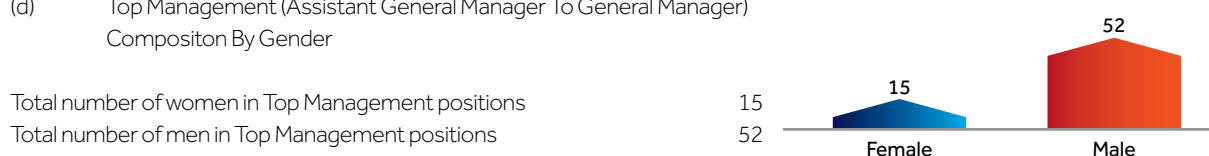
(b) Board Composition By Gender



(c) Top Management (Executive Director To Chief Executive Office) Composition By Gender



(d) Top Management (Assistant General Manager To General Manager) Composition By Gender



(ii) Employment of disabled persons

In the event of any employee becoming disabled in the course of employment, the Bank will endeavour to arrange appropriate training to ensure the continuous employment of such a person without subjecting the employee to any disadvantage in career development.

(iii) Health, safety and welfare of employees

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

The Bank operates a Group Personal Accident and the Workmen's Compensation Insurance covers for the benefit of its employees. It also operates a contributory pension plan in line with the Pension Reform Act 2004 as amended and other benefit schemes for its employees.

(iv) Employee involvement and training

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

(v) Statement of commitment to maintain positive work environment

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

Credit Ratings

The Revised Prudential Guidelines, as released by the CBN, requires banks to be rated by a credit rating agency on a regular basis. It is also required that the credit rating be updated on a continuous basis from year to year. Furthermore, it is required that banks should disclose their credit ratings prominently in their published annual reports.

Below are the credit ratings that Access Bank has been assigned by the various credit rating agencies that have rated the Bank, in no particular order:



Long Term Local Credit Ratings

	Long Term	Date
Standard & Poor's	BBB	Jun-17
FitchRatings	A	Jul-17
Agusto & Co	AA-	Jun-17
Moody's	Aa2	May-17

Long Term Counterparty Credit Ratings

	Long Term	
Standard & Poor's	B	Jun-17
FitchRatings	B	Jul-17
Moody's	B1	May-17

* FitchRatings was upgraded to A+ on the 31 January, 2018

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

Audit committee

Pursuant to Section 359(3) of the Companies and Allied Matters Act of Nigeria, the Bank has an Audit Committee comprising three Directors and three shareholders as follows:

1	Mr. Henry Omatsola Aragho	- Shareholder	Chairman
2	Mr. Emmanuel Olutoyin Eleoramo	- Shareholder	Member
3	Mr. Idaere Gogo Ogan	- Shareholder	Member
4	Dr. Ernest Ndukwe	- Independent Non-Executive Director	Member
5	Mr. Abba Mamman Tor Habib	- Non-Executive Director	Member
6	Dr. (Mrs.) Ajoritsedere Awosika	- Independent Non-Executive Director	Member

The functions of the Audit Committee are as provided in Section 359(6) of the Companies and Allied Matters Act of Nigeria.

The auditors, PricewaterhouseCoopers have indicated their interest to continue in office and will do so pursuant to section 357(2) of the Companies and Allied Matters Act

BY ORDER OF THE BOARD

Plot 999c, Danmole Street,
Victoria Island, Lagos.
Lagos

Sunday Ekwochi
Company Secretary
FRC/2013/NBA/00000005528



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CORPORATE GOVERNANCE

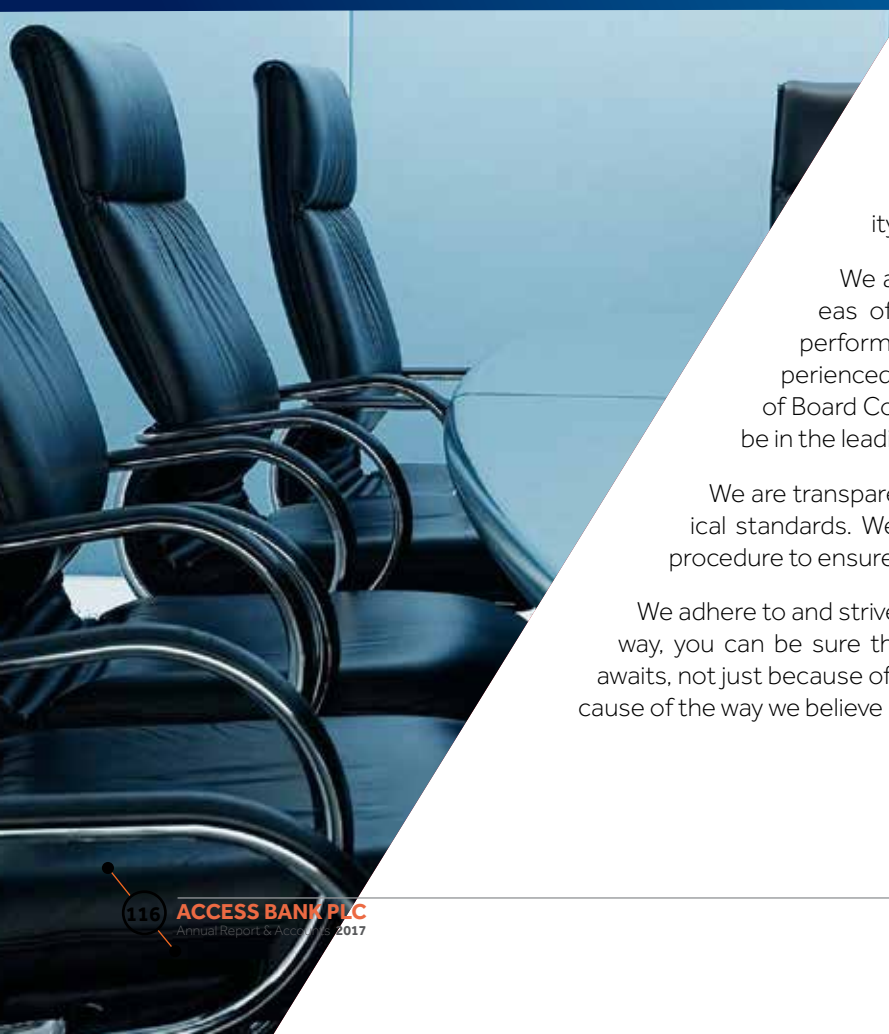
Access Bank continues to have an outstanding track record of excellence when it comes to corporate governance. We recognise that long-term competitiveness and performance are influenced, not just by economic factors, but by social and environmental considerations, and that good corporate governance and sustainability go hand in hand.

From simple measures such as employing a secure electronic portal to circulate papers to Board members to giving a Board committee the dedicated responsibility for sustainability, we take our sustainability obligations seriously.

We are committed to best practice in all other areas of corporate governance which include strict performance monitoring, careful appointment of experienced and capable Directors, and outlining the roles of Board Committees. This is why Access Bank will always be in the leading rank.

We are transparent in all our dealings by maintaining high ethical standards. We have implemented a robust whistleblowing procedure to ensure we stay on the right course.

We adhere to and strive to exceed the regulatory requirements. That way, you can be sure that a better and more sustainable tomorrow awaits, not just because of our vision, resources and capabilities, but because of the way we believe in getting there.





The Bank and its subsidiaries ('the Group') are governed under a framework that enables the Board to discharge its oversight functions while providing strategic direction to the Bank in balance with its responsibility to ensure regulatory compliance. The subsidiaries comply with the statutory and regulatory requirements of their host countries and also align their governance frameworks to that of the Bank.

The Board is responsible for embedding high standards of corporate governance across the Group. The Board recognises that effective corporate governance is a key imperative to achieving the sustainable growth of the enterprise. Accordingly, the Group's governance framework is designed to ensure on-going compliance with the Central Bank of Nigeria's Code of Corporate Governance for Banks and Discount Houses in Nigeria ('the CBN Code'); the Securities and Exchange Commission's Code of Corporate Governance for Public Companies ('the SEC Code'); and the Post Listing Rules of the Nigerian Stock Exchange. These, in addition to the Board charter and the Bank's Memorandum and Articles of Association collectively provide the foundation for sound corporate governance. Our core values of excellence, innovation, leadership, passion for customers, professionalism and empowered employees continue to define our corporate behaviour.

Developments on the Board

There is no doubt that effective boards are made possible by directors with appropriate skills, qualification and experience who are guided by integrity in their private and public behaviour. In recognition of this imperative, the Board has established a formal process for the selection of new directors to ensure the transparency of the nomination process. The appointment process for directors is documented in the Group's Fit and Proper Person Policy and is led by the Board Governance and Nomination Committee. The Committee identifies candidates for appointment as directors in consultation with the Chairman, the Group Managing Director and/or any other director, or through the use of search firms or other methods as the Committee deems necessary. Once candidates have been identified, the Committee will confirm that they meet the criteria contained in the policy and relevant statutes and regulations. The Committee may gather information about the candidates through interviews, questionnaires, enhanced due diligence checks or any other means that the Committee deems necessary. The Committee meets to discuss and evaluate the qualities and skills of each candidate, taking into account the overall composition and needs of the Board. Based on the outcome of the evaluation, the Committee recommends candidates to the Board for appointment as directors subject to the approval of shareholders and the Central Bank of Nigeria.

In accordance with the Bank's Articles of Association, Mrs. Mosun Belo-Olusoga and Mr. Paul Usoro retired at the Bank's 29th Annual General Meeting held on March 29,

2017 and being eligible for re-election were duly re-elected by shareholders. The shareholders also elected Messrs Adeniyi Adekoya and Iboroma Akpana as Independent Non-Executive Directors. The appointment of Dr. Gregory Jobome as an Executive Director was also ratified by shareholders at the meeting.

In the course of the year, Mr. Obinna Nwosu resigned his position as the Group Deputy Managing Director with effect from April 30, 2017, to pursue other personal endeavours. Mr. Emmanuel Chiejina also retired from the Board effective June 23, 2017, following his successful completion of the maximum 12 years term limit prescribed by the CBN's Code. Mrs. Ojinika Olaghere, Executive Director in charge of Operations and Information Technology also on October 31, 2017 served the Board with notice of her resignation.

The Board commends the directors that exited the Board for their outstanding contributions to the progress of the Bank and wishes them success in their future endeavours.

Following the resignation of Mr. Obinna Nwosu, the Board upon the recommendation of the Governance and Nomination Committee appointed Mr. Roosevelt Ogbonna as Group Deputy Managing Director. Prior to his appointment, Mr. Ogbonna was the Executive Director in charge of Commercial Banking Division. His appointment has been approved by the Central Bank of Nigeria. The Board, in a bid to reinvigorate the Executive suite, on October 25, 2017 appointed Mr. Adeolu Bajomo and Ms. Hadiza Ambursa as Executive Director, Information Technology and Operations and Commercial Banking, North respectively. The three appointments have been approved by the Central Bank of Nigeria. The appointments of Mr. Adeolu Bajomo and Ms. Hadiza Ambursa will be presented to shareholders for approval at this meeting.

Retirement and Re-election of Directors

In accordance with the Bank's Articles of Association, one third of all Non-Executive Directors (rounded down) are offered for re-election every year (depending on their tenure on the Board) together with directors appointed by the Board since the last Annual General Meeting. In keeping with this requirement, Dr. Ernest Ndukwe and Mrs. Anthony Ogunmefun, will retire during this Annual General Meeting and being eligible for re-election will submit themselves for re-election. The Board is convinced that the directors standing for approval and re-election will continue to add value to the Bank. The Board believes that they are required to maintain the balance of skill, knowledge and experience on the Board. The biographical details of the directors standing for election are set out on page 354-355 of this Annual Report.



Towards Board Effectiveness

Today's boards are required to be more engaged, more knowledgeable and more effective than in the past as they contend with a host of new pressures, challenges and risks. As stakeholders' expectations from the Board continue to grow, the Board must set its strategic priorities often across diverse business segments and markets and monitor the firm's risk profile. The Board must demonstrate that good corporate governance is not a box-ticking exercise by setting the right ethical tone from the top. The Board's approach towards ensuring its effectiveness is achieved through composition, training and a rigorous evaluation process.

Board Composition—Guiding Principles

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

We are comfortable that the Board is sufficiently diversified to optimise its performance and deliver sustainable value to stakeholders. The Board's composition is aligned

with global best practice on the parity of Non-Executive Directors to Executive Directors. In 2017, the Board had more Non-Executive Directors than Executive Directors, with four Non-Executive Directors being Independent as against two required by the CBN Code. Non-Executive Directors are appointed to the Board to bring independent, specialist knowledge and impartiality to strategy development and execution monitoring.

Additional information on the composition of the Board in the 2017 financial year is provided on page 121.

Training and Induction

The Board ensures the regular domestic and international training and education of Board members to improve their decision-making capacity, thereby contributing to the overall effectiveness of the Board. New directors are given a personalised induction programme which includes one-on-one meetings with Executive Directors and Senior Executives responsible for the Bank's key business areas. Such sessions focus on the challenges, opportunities and risks facing the business areas. The induction programme covers an overview of the Strategic Business Units as well as Board processes and policies. A new director is provided with an induction pack containing charters of the various Board Committees, significant reports, important statutes and policies, minutes of previous Board meetings and a calendar of Board activities. Based on the recommendation of the Governance and Nomination Committee, the Board approves the annual training plan and budget for directors while the Company Secretary ensures the implementation of the plan with regular reports to the Board.

During the period under review, the Directors attended the training programmes shown below.

S/N	Name of Director	Description of Training	Training Provider/Location	Date
1	Emmanuel Chiejina	International Programme for Directors of Banks and other Financial Institutions	Financial Institutions Training Centre /Dubai, UAE	May 8-12, 2017
2	Paul Usoro	Finance for Executives	Insead / France	April 25-May 5, 2017
3	Ojinika Olaghere	Competing on Business Analytics and Big Data	Harvard Business School / USA	June 18-23, 2017
4	Victor Etuokwu	AVIRA (awareness, vision, imagination, role and action)	Insead / France	September 6 - 11, 2017
5	Titi Osuntoki	AVIRA (awareness, vision, imagination, role and action)	Insead / France	September 6 - 11, 2017
6	Gregory Jobome	The Next Level in Corporate Governance	Central Bank of Nigeria in conjunction with -Financial Institutions Training Centre Lagos	September 19-20, 2017



7	Abba Mamman Tor Habib	The Next Level in Corporate Governance	Central Bank of Nigeria in conjunction with -Financial Institutions Training Centre Lagos	September 19-20, 2017
8	Adeniyi Adekoya	The Next Level in Corporate Governance	Central Bank of Nigeria in conjunction with -Financial Institutions Training Centre Lagos	September 19-20, 2017
9	Mosun Belo-Olusoga	Value Creation for Owners and Directors	Insead France	October 30- November 2, 2017
10	Ajoritsedere Awosika.	Value Creation for Owners and Directors	Insead France	October 30- November 2, 2017
11	Anthonia Ogunmefun	Value Creation for Owners and Directors	Insead France	October 30- November 2, 2017
12	Herbert Wigwe	Digital Marketing and Social Media Analytics	Massachusetts Institute of Technology USA	October 16-17, 2017
13	Adeniyi Adekoya	Making Corporate Boards More Effective	Harvard Business School USA	November 15-18, 2017
14	Abba Mamman Tor Habib	Making Corporate Boards More Effective	Harvard Business School USA	November 15-18, 2017

Performance Monitoring and Evaluation

The Board, in discharge of its oversight function, continuously engages with Management and contributes ideas to the planning and execution of the Group's strategy. In line with the Bank's strategic planning cycle, the Board held a one-day strategy session on October 25, 2017 to deliberate on and approve the Bank's 2018-2022 strategic plan. The Board usually holds an annual Board retreat, where the strategy for the coming year is rigorously debated and agreed between Management and the Board. The 2017 Board Retreat was held at Taj Hotel, Cape Town, South Africa on March 3-4, 2017. Management provides the Board with a quarterly update on implementation of the strategy, affording the Board the opportunity to critique the Management and assess significant issues, risks or challenges encountered in the course of strategy implementation and the steps taken to mitigate the risks. Management's report on the Group's actual financial performance is presented relative to the planned budget to enable the Board assess the level of achievement. Peer comparison is also a crucial component of Management reporting to the Board to benchmark performance against that of our competitors.

The Bank's performance on Corporate Governance is continuously being monitored and reported. We carry out quarterly and annual reviews of our compliance with the CBN and the SEC Codes respectively and render reports to the regulators.

The Board has also established a system of independent annual evaluation of its performance, that of its committees and individual directors. The evaluation is done by an independent consultant approved by the Board. In this regard, Accenture Limited was engaged to conduct the Board per-

formance evaluation for the Financial Year Ended December 31, 2017. The independent consultant does not have any connection with the Group or any of its directors. The Board believes that the use of an independent consultant not only encourages directors to be more candid in their evaluation of the Board performance, but also enhances the objectivity and transparency of the evaluation process.

The result of the Board performance evaluation was presented by the independent consultant during the Board Meeting held on January 30, 2018. The evaluation was a 360-degree online survey covering directors' self-assessment, peer assessment and evaluation of the Board and the Committees. The effectiveness of the Independent Directors vis-à-vis the CBN Guidelines on Independent Directors of Banks was also evaluated. The appraisal covered the Board's structure and composition, processes, relationships, competencies, roles and responsibilities. The result confirmed that the individual directors and the Board continue to operate at a high level of effectiveness and efficiency. The result showed that the Bank's corporate governance practices were in compliance with the provisions of the CBN and SEC Codes.

The summary result of the independent evaluation will be presented by Accenture Limited at this meeting.

Shareholders and Regulatory Engagement

The Board recognises the importance of ensuring the flow of complete, adequate and timely information to existing and potential shareholders and regulators to enable them make informed decisions about the Bank. The Board is therefore committed to maintaining high standards of



corporate disclosure. The implementation of our robust investors and regulatory engagement strategies enables us to understand stakeholders' views about the Bank and respond effectively.

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

The Bank has a comprehensive Investors Communication and Disclosure Policy. As provided by the policy, the Board and Management ensure that the Bank's communication with the investing public about the Bank and its subsidiaries is timely, factual, broadly disseminated and accurate and in accordance with all applicable legal and regulatory requirements. The Bank's reports and communications to shareholders and other stakeholders are in plain, readable and understandable formats. The Bank's website www.access-bankplc.com is regularly updated with both financial and non-financial information. A copy of the Investors Communication and Disclosure Policy is available at the Investor Portal on the Bank's website.

The Bank has a dedicated Investors Relations Unit that facilitates communication with shareholders and analysts on a regular basis. Investors and stakeholders are frequently provided with information about the Bank through various channels, including Quarterly Investors Conference Calls, the General Meeting, the Bank's website, the Annual Report and Accounts, Non-Deal Road Shows and the Investors Forum at the Stock Exchange. The Bank on December 4, 2017 held an engagement session at the Nigerian Stock Exchange during which the Board briefed the investing public on the Bank's 2018-2022 strategic plan and also received comments from investors.

The Board ensures that shareholders' statutory and general rights are protected at all times, particularly their right to vote at general meetings. The Board also ensures that all shareholders are treated equally regardless of the size of their shareholding and social conditions. Our shareholders are encouraged to share in the responsibility of sustaining the Bank's corporate values by exercising their rights as protected by law.

Access to Information and Resources

Management recognises the importance of the free flow of complete, adequate and timely information to the Directors to enable them make informed decisions in the discharge of their responsibilities. There is ongoing engagement between Executive Management and the Board. The Heads of Strategic Business Units attend Board meetings to make presentations. The Bank's External Auditors attend the Group Board Audit Committee and the Statutory Audit Committee meetings to make presentations on the audit of the Group's Financial Statements.

Directors have unrestricted access to Management and company information in addition to the necessary resources to carry out their responsibilities. This includes access to external professional advice at the Bank's expense as provided by the Board and Committees' charters.

Board Responsibilities

The primary responsibility of the Board is to provide effective leadership and direction to enhance the long-term value of the Group to its shareholders and other stakeholders. It has the overall responsibility for reviewing the strategic plan and performance objectives, financial plans and annual budget, key operational initiatives, major funding and investment proposals, financial performance and corporate governance practices. The Board is the Group's highest decision-making body responsible for governance. It operates on the understanding that sound governance practices are fundamental to earning the trust of stakeholders, which is critical to sustainable growth.

Tenure of Board Members

The Bank's Non-Executive Directors are appointed for an initial term of four years. Subject to the provisions of the Articles of Association on the retirement of Non-Executive Directors by rotation, they can be re-elected for a maximum of two subsequent terms of four years each, subject to satisfactory performance and shareholders' approval. The Independent Non-Executive Directors are subject to a maximum tenure of eight years as stipulated by the Central Bank of Nigeria's Guidelines for the Appointment of Independent Directors.

Our Executive Directors are appointed for an initial term of four years and their tenure can be renewed for further terms subject to a satisfactory annual performance evaluation. Executive Directors are prohibited from holding other directorships outside the Access Bank Group or investee companies.



Composition and Role

As at December 31, 2017, the Board comprised 15 members, made up of seven Executive Directors and eight Non-Executive Directors, four of whom are Independent Non-Executives.

Below are the profiles of the Board members.

Mosun Belo-Olusoga, FCA **Group Chairman**

Mrs. Belo-Olusoga is the Principal Consultant/Programme Director of The KRC Ltd. She served on the boards of Guaranty Trust Bank Plc, Asset and Resource Management Company Ltd and Equipment and Leasing Association of Nigeria. She currently sits on the boards of ActionAid, MTN Foundation, Premium Pension Limited and Mainstream Foundation. She had an illustrious banking career spanning nearly three decades and retired from Guaranty Trust Bank Plc in 2006 as an Executive Director.

Mrs Belo-Olusoga is a graduate of Economics from the University of Ibadan. She qualified as a Chartered Accountant in 1983 and is a fellow of the Institute of Chartered Accountants of Nigeria and the Chartered Institute of Bankers of Nigeria. She joined the Board of the Bank in November 2007. She was the Chairperson of the Board Credit and Finance Committee until her appointment as Chairman of the Board in July 2015.

She is 60 years old as at the date of this meeting.

Anthonia O. Ogunmefun **Non-Executive Director**

Mrs Ogunmefun is the Managing Partner of Kemi Ogunmefun Law Office, a Canadian-based private legal practice specialising in immigration law, family law, real estate and corporate law. She served as the Chairperson of Governance Committee of Kinark Child and Family Services, a major Canadian child care trust, and is a Non-Executive Director of LOC Nominees Limited.

Mrs. Ogunmefun obtained her Bachelor of Laws degree from the University of Lagos in 1974. She was called to the Nigerian Bar in 1975 and the Law Society of Upper Canada in 2004. She was appointed to the Board in April 2011.

Mrs. Ogunmefun is the Chairman of the Board Risk Management Committee and Vice Chairman of the Governance and Nomination Committee.

She is 66 years old as at the date of this meeting.

Ernest Ndukwe, OFR **Independent Non-Executive Director**

Dr. Ndukwe is an Electrical/Electronics Engineer, with over three decades of experience in the telecommunications in-

dustry. He was the Managing Director of General Telecoms between 1989 and 2000 and Executive Vice Chairman of Nigerian Communications Commission between 2000 and 2010.

He is a graduate of the University of Ife and an alumnus of Lagos Business School. He is a fellow of the Nigerian Society of Engineers, Nigerian Institute of Management and Nigerian Academy of Engineering. Dr. Ndukwe sits on the boards of Systemspecs Limited, Open Media Group and Salt & Einsten MTS Limited.

He joined the Board of Access Bank in December 2012 and chairs the Board Audit Committee and Board Digital and Information Technology Committee.

Dr. Ndukwe is 69 years old as at the date of this meeting.

Ajoritsedere Awosika, MFR **Independent Non-Executive Director**

Dr. Awosika is an accomplished administrator with over three decades' experience in public sector governance. She was at various times, the Permanent Secretary in the Federal Ministries of Internal Affairs, Science & Technology and Power. She is a fellow of the Pharmaceutical Society of Nigeria and the West African Postgraduate College of Pharmacy. Dr. Awosika holds a doctorate degree in pharmaceutical technology from the University of Bradford, United Kingdom.

She was appointed to the Board of Access Bank in April 2013 and serves as the Vice-Chairman of the Board Audit Committee and Chairman of the Board Credit and Finance Committee.

Dr. Awosika sits on the boards of Capital Express Assurance Ltd, Chams Plc and Josephine Consulting Limited.

She is 65 years old as at the date of this meeting.

Paul Usoro, SAN **Non-Executive Director**

Mr. Usoro is a Senior Advocate of Nigeria, a Fellow of the Chartered Institute of Arbitrators and the founder and Senior Partner of the Law firm of Paul Usoro & Co. He has over 30 years of law practice experience and is acknowledged as a highly experienced litigator and communication law expert. He is currently a Non-Executive Director of Airtel Network Limited and PZ Cussons Nigeria Plc.

He represented Access Bank as a Non-Executive Director on the board of the defunct Intercontinental Bank Plc. He holds a Bachelor of Laws degree from the University of Ife (1981) and was called to the Nigerian Bar in 1982.

Mr Usoro joined the Board in January 2014 and currently



chairs the Board Governance and Nomination and Board Remuneration Committees.

He is aged 59 at the date of this meeting.

Abba Mamman Tor Habib
Non-Executive Director

Mr. Habib is a thoroughbred banking professional with over 20 years' experience, 15 of which were spent with Guaranty Trust Bank Plc where he voluntarily resigned in 2008 as an Executive Director. His experience in Guaranty Trust Bank spanned Corporate Banking and Risk Management.

Mr. Habib is the Managing Director of Gremcoh Services Limited, his family owned agricultural and real estate enterprise. He holds a First Class Bachelor of Science degree in Agricultural Economics from the University of Maiduguri and a Master of Science in Banking and Finance from Bayero University, Kano.

He has attended several Executive Development Programmes in leading institutions including African Development Bank, Harvard, IMD, D.C Gardner London and INSEAD.

He joined the Board in January 2016 and currently serves as the Vice-Chairman of the Board Credit and Finance Committee.

Mr Habib is 56 years old as at the date of this meeting.

Adeniyi Adekoya
Independent Non- Executive Director

Mr. Adekoya is a highly experienced maritime and oil and gas industry expert with significant investment banking experience. He is currently an Executive Director of Synerpet Nigeria Limited (formerly Akeprime Limited). Prior to this, he had been a General Manager of Peacegate Holdings Ltd where he was responsible for setting up and developing the company's marine operations.

He was also consultant to Maine Nigeria Ltd where he developed the framework for the private placement to raise USD 500 million start-up capital and led the company's participation in bid rounds for oil blocks in the Republic of Equatorial Guinea. He worked with Mobil Oil Producing Nigeria Unlimited as a Budget Officer, Exploration Department, and also obtained financial service industry experience from AIM Fund and Trimark Investment Service, both in Ontario, Canada.

Mr. Adekoya holds a Bachelors degree in Business Administration from the University of Lagos.

He joined the Board in March 2017 and is the Vice-Chairman of the Board Digital and Information Technology Committee.

Mr Adekoya is aged 51 years old as at the date of this meet-

ing.

Iboroma Akpana
Independent Non- Executive Director

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

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

Mr. Akpana is a member of the International Bar Association, American Bar Association, New York State Bar Association, Nigerian Bar Association and the Law Society of England and Wales.

He joined the Board in March 2017.

Mr Akpana is the Vice-Chairman of the Board Remuneration Committee

He is aged 53 years old as at the date of this meeting.

Herbert Wigwe, FCA
Group Managing Director /Chief Executive Officer

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

He holds a Master's degree in Banking and International Finance from the University College of North Wales; a Master's degree in Financial Economics from the University of London and a B.Sc. degree in Accounting from the University of Nigeria, Nsukka. He is also a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN). Mr Wigwe is also the Chairman of The Access Bank (UK) Ltd and a Non-Executive Director of Nigerian Mortgage Refinance Company Plc.



He is 51 years old as at the date of this meeting.

Roosevelt Ogbonna, FCA
Group Deputy Managing Director

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

He is a Fellow of the Institute of Chartered Accountants of Nigeria and holds a Second Class Upper degree in Banking and Finance from the University of Nigeria, Nsukka. He has attended Executive Management Development Programmes in several leading institutions.

Mr. Ogbonna represents the Bank on the boards of Access Bank (Zambia) Ltd, Central Securities Clearing System Plc, Africa Finance Corporation and The Access Bank (UK) Limited.

He is 43 years old as at the date of this meeting.

Victor Etuokwu, HCIB
Executive Director
Personal Banking

Mr. Etuokwu's appointment as Executive Director was renewed in October 2013 following the expiration of his initial term. He was first appointed Executive Director of Access Bank in January 2012. He oversees the Personal Banking Division and has over two decades of banking experience cutting across Operations, Information Technology, and Business Development. He joined the Bank in July 2003 from Citibank Nigeria.

He holds a Bachelor of Science degree and a Masters in Business Administration from the University of Ibadan and the University of Benin respectively. Mr Etuokwu is a Honorary Senior Member of the Chartered Institute of Bankers of Nigeria and represents the Bank on the boards of E-Transact Plc and Unified Payments Services Limited.

Mr. Etuokwu is 50 years old as at the date of the meeting.

Ojinika Olaghere, FCA
Executive Director
Operations and Information Technology

Mrs. Olaghere was appointed Executive Director, Operations and IT in October 2013. She has over 23 years of banking experience, 16 of which were with Ecobank Group. She joined Access Bank in August 2007 as a General Manager in charge of Enterprise Business Support. She was appointed Executive Director of the defunct Intercontinental Bank in October 2011 upon its acquisition by Access Bank. Her

banking experience covers Operations, Business Development, General Administration and Information Technology.

Mrs. Olaghere holds a Second Class Upper degree in French Language from the University of Nigeria, Nsukka. She is a Fellow of the Institute of Chartered Accountants of Nigeria. She has attended Executive Management Development Programmes in several leading institutions. She represents the Bank on the Governing Council of Bank Directors Association of Nigeria.

The Board received Mrs Olaghere's notice of resignation from the Bank on October 31, 2017.

Titi Osuntoki, HCIB
Executive Director
Business Banking

Mrs. Osuntoki was appointed Executive Director, Business Banking in October 2013. She is an accomplished banker with over two decades' experience cutting across several facets of banking. She joined Guaranty Trust Bank in 1991 and was appointed Executive Director in 2008. She resigned from Guaranty Trust Bank in October 2011. Until her appointment at Access Bank, she was an Independent Non-Executive Director of Wapic Insurance Plc.

She holds a Second Class Upper degree in Civil Engineering and a Masters of Business Administration from the University of Lagos. Mrs. Osuntoki is a Honorary Senior Member of the Chartered Institute of Bankers of Nigeria. She has attended Executive Management Development Programmes in several leading business schools. She represents the Bank on the Board of Financial Institutions Training Centre.

Mrs Osuntoki is aged 51 years as at the date of this meeting.

Gregory Ovie Jobome
Executive Director/Chief Risk Officer

Dr. Jobome is a thoroughbred banking professional with an excellent academic pedigree. He obtained a First Class degree in Economics from the University of Maiduguri in 1986 and a Distinction in Master of Business Administration degree from Obafemi Awolowo University in 1990. Dr Jobome also obtained a Master of Science Degree (1994) and a Doctorate degree (2002) both in Economics and Finance from Loughborough University, UK. He has over 25 years of working experience obtained from Guaranty Trust Bank Plc, the University of Liverpool Management School, Manchester Business School and Access Bank Plc. He joined Access Bank Plc in July 2010 as a General Manager and Chief Risk Officer. Prior to joining the Bank, he was a Risk Management Consultant to Guaranty Trust Bank Plc. Dr Jobome has been instrumental to the many giant strides attained by the Bank in the risk management space.

Dr. Jobome is a highly sought-after resource person and



has held several key industry leadership positions, including; Director, CRC Credit Bureau Ltd; President, Risk Management Association of Nigeria; Member, Working Group on Regulatory Reforms of the Institute of International Finance and Member, Capacity Building Committee, Chartered Institute of Bankers of Nigeria.

He joined the Board in January 2017.

He is the Chairman of CRC Credit Bureau Ltd, an investee company of the Bank.

Dr. Jobome is 52 years old as at the date of this meeting.

Hadiza Ambursa
Executive Director
Commercial Banking (North)

Ms. Ambursa was appointed Executive Director, Commercial Banking- North in November 2017. She has over two decades' banking experience from Guaranty Trust Bank and Access Bank. Her experience covers Transaction Services, Public Sector, Commercial Banking and Corporate Finance. Prior to joining Access Bank in 2003, she was a Relationship Manager Public Sector in Guaranty Trust Bank Plc.

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

Ms Ambursa represents the Bank on the Board of Access Bank (Gambia) Ltd.

She is 47years old as at the date of this meeting.

Sunday Ekwochi
Company Secretary

Mr. Ekwochi was appointed the Company Secretary of the Bank in March 2010. He graduated as a top student in Law from the University of Jos with a Second Class Upper degree in 1996 and from the Nigerian Law School in February 1998 with a Second Class Upper degree. He has over 18 years' banking experience from the then African Express Bank, Fidelity Bank and Access Bank Plc.

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

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

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

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

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

- Defining the Bank's business strategy and objectives.
- Formulating risk policies.
- Approval of quarterly, half yearly and full year financial statements.
- Approval of significant changes in accounting policies and practices.
- Appointment or removal of Directors and the Company Secretary.
- Approval of major acquisitions, divestments of operating companies, disposal of capital assets or capital expenditure.
- Approval of charter and membership of Board Committees.
- Setting of annual Board objectives and goals.
- Approval of allotment of shares.
- Appointment and removal of the Chief Audit Executive.
- Approval of the framework for determining the policy



- and specific remuneration of Executive Directors.
- Monitoring delivery of the strategy and performance against plan.
- Reviewing and monitoring the performance of the Group Managing Director and the executive team.
- Ensuring the maintenance of ethical standards and compliance with relevant laws.
- Performance appraisal and compensation of Board members and Senior Executives.
- Ensuring effective communication with shareholders.
- Ensuring the integrity of financial reports by promoting disclosure and transparency.
- Succession planning for key positions.

The Role of Group Chairman

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

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

- Primarily responsible for the effective operation of the Board and ensures that the Board works towards achieving the Bank's strategic objectives.
- Setting the agenda for board meetings in conjunction with the GMD/CEO and the Company Secretary.
- Approval of the Annual Board Activities Calendar.
- Playing a leading role in ensuring that the Board and its committees have the relevant skills, competencies for their job roles.
- Ensuring that Board meetings are properly conducted and that the Board is effective and functions in a cohesive manner.
- Ensuring that the Directors receive accurate and clear information about the affairs of the Bank in a timely manner to enable them to take sound decisions.
- Acting as the main link between the Board and the GMD/CEO as well as advising the GMD/CEO on the effective discharge of his duties.
- Ensuring that all directors focus on their key responsibilities and play constructive roles in the affairs of the Bank.

- Ensuring that induction programmes are conducted for new directors and continuing education programmes are in place for all directors.
- Ensuring effective communication with the Bank's institutional shareholders and strategic stakeholders.
- Taking a leading role in the assessment, improvement and development of the Board.
- Presiding over General Meetings of shareholders.

The Role of Group Managing Director/Chief Executive Officer

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

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

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

The Role of the Group Deputy Managing Director ('GDMD')

The GDMD provides support to the GMD/CEO towards the



achievement of the corporate philosophy, business strategy, financial and other objectives of the Bank. He reports to the GMD/CEO and is responsible for the supervision of such aspects of the Bank as may be approved by the Board of Directors and exercises such powers and carry out such functions as may be delegated by the GMD/CEO.

The Role of the Company Secretary

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

The Company Secretary also facilitates the orientation of new directors and coordinates their professional development.

As primary compliance officer for Group's compliance with the listing rules of the Nigerian Stock Exchange, the Company Secretary is responsible for designing and implementing a framework for the Bank's compliance with the listing rules, including advising Management on prompt disclosure of material information. The Company Secretary attends and prepares the minutes for all Board meetings. As secretary for all Board Committees, the Company Secretary assists in ensuring coordination and liaison between the Board, the Board Committees and Management. The Company Secretary also assists in the development of the agenda for the various Board and Board Committee meetings. The appointment and the removal of the Company Secretary are subject to the approval of the Board.

Delegation of Authority

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

Board Meetings

The Board meets quarterly, but emergency meetings are convened as may be required. The Annual Calendar of

Board and Committee meetings is approved in advance during the last quarter of the preceding year. Material decisions may be taken between meetings through written resolutions in accordance with the Bank's Articles of Association. The Board holds an annual retreat at an offsite location to consider strategic matters and review the opportunities and challenges facing the institution.

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

The Board met six times during the 2017 financial year. The Board held its 9th Annual Board Retreat on March 3-4, 2017 in Cape Town, South Africa to discuss strategic issues affecting the Bank. The Board operates a secure electronic portal, Diligent Boardbook, for the circulation of board papers to members. This underscores the Board's commitment to environmental sustainability by reducing paper usage.

The Board channelled considerable time and efforts in discussing the following issues in 2017

- Review of Board Committee charters/policies.
- Reconstitution of Board Committees.
- Consideration and approval of 2017 budget.
- Approval of appointments to subsidiary boards.
- Development of the 2018-2022 Strategic Plan.
- Approval of credit facilities.
- Consideration of top management and board appointments.
- Consideration of updates on the implementation of Board Retreat outcomes.
- Approval of interim and full year audited financial statement.

Board Meeting Attendance

The membership of the Board and attendance at meetings in 2017 are set out below



	Type of Meeting	Annual Retreat	Annual General Meeting	Board Meetings						
				Date	March 3rd & 4th	Mar 29th	Jan 26th	Apr 26th	Jun 23rd	Jul 26th
1	Mosun Belo-Olusoga	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Emmanuel Chiejina	✓	✓	✓	✓	Retired				
3	Anthonia Ogunmefun	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Paul Usoro	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Ernest Ndukwe	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Ajoritsedere Awosika	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	Abba Mamman Tor Habib	✓	✓	✓	✓	Apolo- gy	✓	✓	✓	✓
8	Iboroma Akpana	Not yet appointed	✓	Not yet appointed	✓	✓	✓	✓	✓	✓
9	Adeniyi Adekoya	Not yet appointed	✓	Not yet appointed	✓	✓	✓	✓	✓	✓
10	Herbert Wigwe	✓	✓	✓	✓	✓	✓	✓	✓	✓
11	Obinna Nwosu	✓	✓	✓	✓	Resigned				
12	Roosevelt Ogbonna	✓	✓	✓	✓	✓	✓	✓	✓	✓
13	Victor Etuokwu	✓	✓	✓	✓	✓	✓	✓	✓	✓
14	Ojinika Olaghere	✓	✓	✓	✓	✓	✓	✓	✓	✓
15	Titi Osuntoki	✓	✓	✓	✓	✓	✓	✓	✓	✓
16	Gregory Jobome	✓	✓	✓	✓	✓	✓	✓	✓	✓
17	Hadiza Ambursa	Not Yet Appointed								✓

Board Committees

The Board carries out its oversight function through its standing committees, each of which has a charter that clearly defines its purpose, composition, structure, frequency of meetings, duties, tenure and reporting lines to the Board. In line with best practice, the Chairman of the Board does not sit on any committee. The Board has six standing committees, namely: the Risk Management Committee, the Audit Committee, the Governance and Nomination Committee, the Remuneration Committee; the Credit and Finance Committee and the Digital and In-

formation Technology Committee. The Digital and Information Technology Committee was constituted by the Board on October 25, 2017 to provide focused oversight on the Bank's information technology investments and the end-to-end digital delivery of its products and services.

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



Reports of Board Committees

The report of the activities of the Board Committees in 2017 are as documented below.

Board Governance & Nomination Committee

The membership of the Committee and attendance at meetings in 2017 are as set out below.

Name	Jan 10th	Apr 11th	Jul 11th	Oct 9th
Emmanuel Chiejina	✓	✓	Retired	
Paul Usoro	✓	✓	✓	✓
Anthonia Ogunmefun	✓	✓	✓	✓
Ajoritsedere Awosika	✓	✓	✓	✓
Ernest Ndukwe	✓	✓	✓	✓
Iboroma Akpana	Not yet a member		✓	✓
Adeniyi Adekoya	Not yet a member		✓	✓
Herbert Wigwe	✓	✓	✓	✓

The Committee advises the Board on its oversight respon-

sibilities in relation to all matters on corporate governance, sustainability and nominations affecting the Bank, directors and employees. It is responsible for determining and executing the processes for Board appointments, nominations and removal of non-performing directors.

The key decisions of the Committee in the reporting period included: recommendation of board appointments; review and recommendation of human resources policies to the Board for approval, and consideration of quarterly reports on human resources and sustainability.

The Committee met four times in 2017 financial year.

Mr. Paul Usoro succeeded Mr. Emmanuel Chiejina as the Chairman of the Committee following the latter's completion of his term limit on June 23, 2017.

Board Credit & Finance Committee

The membership of the Committee and attendance at meetings in 2017 are as set out below.

Name	Jan 10th	Feb 15th	Mar 15th	Apr 11th	May 17th	Jun 14th	Jun 23rd	Jul 11th	Aug 16th	Sep 13th	Oct 9th	Nov 15th	Dec 15th
Ajoritsedere Awosika	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Abba Mamman Tor Habib	Apol-ogy	✓	✓	✓	✓	Apol-ogy	Apol-ogy	✓	✓	✓	✓	On training	✓
Emmanuel Chiejina	✓	✓	✓	✓	✓	✓	✓	Retired					
Anthonia Ogunmefun	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ernest Ndukwe	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Paul Usoro	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Iboroma Akpana	Not yet a member				✓	✓	✓	✓	Apol-ogy	✓	✓	✓	✓
Adeniyi Adekoya	Not yet a member				✓	✓	✓	✓	✓	✓	✓	✓	✓
Herbert Wigwe	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Obinna Nwosu	Apol-ogy	✓	Apol-ogy	✓	Resigned								
Roosevelt Ogbonna	✓	✓	Apol-ogy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Victor Etuokwu	✓	✓	Apol-ogy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Titi Osuntoki	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Gregory Jobome	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Hadiza Ambursa	Not yet a member												✓



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

The Committee met 13 times in the 2017 financial year.

The Committee's key activities during the period included review and approval of credit facilities; review of the Credit Portfolio and Collateral Adequacy Assessment reports and monitoring the implementation of credit risk management policies.

The Committee is chaired by Dr. (Mrs) Ajoritsedere Awosika.

Board Risk Management Committee

The membership of the Committee and attendance at meetings in 2017 are as set out below.

Name	Jan 11th	Apr 12th	Jul 10th	Oct 10th
Emmanuel Chiejina	✓	✓	Retired from the Board	
Anthonia Ogunmefun	✓	✓	✓	✓
Ernest Ndukwe	✓	✓	✓	✓
Paul Usoro	✓	✓	✓	✓
Abba Mamman Tor Habib	✓	✓	✓	✓
Adeniyi Adekoya	Not yet a member		✓	✓
Iboroma Akpana	Not yet a member		✓	✓
Herbert Wigwe	✓	✓	✓	✓
Obinna Nwosu	Apology	Apology	Resigned from the Board	
Roosevelt Ogbonna	Not yet a Member		✓	✓
Ojinika Olaghere	✓	✓	✓	✓
Gregory Jobome	Not yet a Member	✓	✓	✓

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

During the period under review, the Committee considered and recommended some policies to the Board for approval and received risk reports from all the risk areas except credit. The Committee met four times in the 2017 financial year.

Mrs. Anthonia Ogunmefun succeeded Mr. Emmanuel Chiejina as the Chairman of the Committee following the latter's completion of his term limit on June 23, 2017.



Board Audit Committee

The membership of the Committee and attendance at meetings in 2017 are as set out below.

Name	Jan 12th	Jan 25th	Apr 13th	Jul 13th	Jul 25th	Oct 11th
Ernest Ndukwe	✓	✓	✓	✓	✓	✓
Ajoritsedere Awosika	✓	✓	✓	✓	✓	✓
Abba Mamman Tor Habib	✓	✓	✓	✓	✓	✓
Paul Usoro	✓	✓	✓	✓	✓	✓
Adeniyi Adekoya	Not yet a member			✓	✓	✓

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

The key issues considered by the Committee during the period included the review and recommendation of the 2016 Full Year Audited Financial Statements and 2017 Interim Audited Financial Statements and reports of the Group Internal Auditor and Internal Audit Consultants. The Committee approved the Group Internal Audit Work Plan for 2017 and also reviewed the whistleblowing reports.

The Committee met six times during the reporting period.

Board Remuneration Committee

The membership of the Committee and attendance at meetings in 2017 are as set out below.

Name	Apr 12th	Apr 25th
Emmanuel Chiejina	✓	✓
Paul Usoro	✓	✓
Anthonia Ogunmefun	✓	✓
Ajoritsedere Awosika	✓	✓
Ernest Ndukwe	✓	✓
Iboroma Akpana	Not yet a member	

The Committee advises the Board on its oversight responsibilities in relation to remuneration of the Bank's directors and employees. It is responsible for determining and executing the processes for recommending appropriate remuneration for directors and employees. In carrying out its function, the Committee will benchmark the Bank's salary and benefit structure to similar-sized banks. It also advis-

es the Board on employee benefit plans such as pensions, share ownership, other retirement plans and material amendments thereto.

The key issues considered by the Committee during the period included consideration of Remuneration Survey Reports for the Group Office and the subsidiary entities. The Committee met two times in 2017.

The Committee is chaired by Mr. Paul Usoro.

Board Digital & Information Technology Committee

The Committee was set up by the Board on October 25, 2017 and held its Inaugural Meeting on January 18, 2018.

The composition of the Committee is as set out below.

Name	Role
Ernest Ndukwe	Chairman
Adeniyi Adekoya	Vice Chairman
Anthonia Ogunmefun	Member
Abba Mamman Tor Habib	Member
Ajoritsedere Awosika	Member
Iboroma Akpana	Member
Herbert Wigwe	Member
Roosevelt Ogbonna	Member
Gregory Jobome	Member
Adeolu Bajomo	Member

Executive Committee

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



Management Committees

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

The Management Committees include: the Management Credit Committee, the Asset and Liability Committee, the Enterprise Risk Management Committee, the Operational Risk Management Committee, the Criticised Assets Committee, the Digital Steering Committee, the Digital Design Council and the Information Technology Steering Committee.

Statutory Audit Committee

The Companies and Allied Matters Act ('CAMA') 1990 in Section 359 (3) requires every public company to constitute a Statutory Audit Committee made up of equal number of Directors and shareholders' representatives subject to a maximum of six members in the committee. The Bank has constituted a Statutory Audit Committee made up of three Non-Executive Directors and three shareholders.

The Committee is constituted to ensure its independence, which is fundamental to upholding stakeholders' confidence in the reliability of the Committee's report and the Group's Financial Statements. There is no Executive Director sitting on the Committee. The Chairman of the Committee is an ordinary shareholder, while the shareholders' representatives are independent and answerable to the shareholders. There are two Independent Non-Executive Directors on the Committee and the third director is independent of the management of the Bank.

The duties of the Committee are as enshrined in Section 359(3) and (4) of CAMA. The Committee is responsible for ensuring that the company's financial statements comply with applicable financial reporting standards.

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

Henry Omatsola Aragho, FCA **Chairman, Statutory Audit Committee**

Mr. Aragho obtained his Higher National Diploma (Accounting) from Federal Polytechnic Auchi in 1981 and a Master's Degree in Business Administration from Ogun State University (1999). He qualified as a Chartered Accountant with the Institute of Chartered Accountants of Nigeria (ICAN)

in 1985. He was admitted as an Associate Member of Institute of Chartered Accountants of Nigeria in March 1986 and subsequently qualified as a fellow of the Institute.

He joined the Nigerian Ports Authority in 1982 and retired as General Manager Audit in 2005. He is presently the Managing Consultant of Henrose Consulting Limited and Managing Director Henrose Global Resources Limited.

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

Emmanuel Olutoyin Eleoramo **Member, Statutory Audit Committee**

Mr. Eleoramo holds a First Class degree in Insurance and a Master's degree in Business Administration (MBA), both from the University of Lagos. He is an Associate of the Chartered Insurance Institute of London and a Fellow of the Chartered Insurance Institute of Nigeria. He has over 36 years of varied experience in general insurance marketing, underwriting and employee benefits consultancy.

He is a key player in the Nigerian insurance industry and a past President of the Chartered Insurance Institute of Nigeria. He was the Managing Director/Chief Executive Officer of Nigerian French Insurance Company Ltd and later Whispering Hope Insurance Company Ltd (now Sterling Assurance Nigeria Ltd) before his appointment as the Managing Director/Chief Executive Officer of Nigerian Life and Pensions Consultants Limited (now Nigerian Life and Provident Company Limited).

Idaere Gogo-Ogan **Member, Statutory Audit Committee**

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

He sits on the Audit Committee of Coronation Merchant Bank Limited and is also the Chairman of the Audit Committee of Marina Securities Limited.



Record of Attendance at Statutory Audit Committee Meeting in 2017

Name	Status	Role	Jan 25th	Jul 25th
Henry Omatsola Aragho	Shareholder representative	Chairman	✓	✓
Idaere Gogo- Ogan	Shareholder representative	Member	✓	✓
Emmanuel Olutoyin Eleo-ramo	Shareholder representative	Member	✓	✓
Ernest Ndukwe	Independent Non-Executive Director	Member	✓	✓
Ajoritsedere Awosika	Independent Non-Executive Director	Member	✓	✓
Abba Mamman Tor Habib	Non-Executive Director	Member	✓	✓

Tenure of the Statutory Audit Committee

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

Role and Focus of the Statutory Audit Committee

The duties of the Statutory Audit Committee are as enshrined in Section 359 (3) and (4) of CAMA. The statutory provisions are supplemented by the provision for the Codes of Corporate Governance issued by the CBN and SEC and are highlighted as follows:

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

Going Concern

The Directors confirm that after making appropriate enquiries,

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

External Auditors

Messrs PricewaterhouseCoopers (PwC) acted as our external auditors for the 2017 financial year. The Board confirms that the Bank has complied with the regulatory requirement as enshrined in the CBN and SEC Codes of Corporate Governance on the rotation of audit firm and audit partners. PwC was appointed the Bank's sole external auditors from the 2013 Financial year and has held office for five years.

Succession Planning

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

Code of Ethics

The Bank's Code of Conduct specifies expected behaviours of its employees and directors. The code is designed to empower employees and directors and enable effective decision-making at all levels of the business according to defined ethical principles. New employees are required to read and sign an attestation that they have understood the content. In addition, there is an annual re-affirmation exercise by all employees. There is a Compliance Manual that provides guidelines for addressing violations/breaches and ensuring enforcement of discipline amongst staff. The Bank also has a Disciplinary Guide which provides sample offences/violations and prescribes disciplinary measures to be adopted in various cases. The Head of Group Human Resources is responsible for the design and implementation of the Code of Conduct, while the Chief Conduct and Compli-



ance Officer is responsible for monitoring compliance.

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

Dealing in Company Securities

In accordance with the provisions of the Rule 17.2 of the Amendment to the Listing Rules of the Nigerian Stock Exchange, the Bank implements a Securities Trading Policy that prohibits Directors, members of the Audit Committee, employees and all other insiders from abusing, or placing themselves under the suspicion of abusing price-sensitive information in relation to the Bank's securities. In line with the policy, affected persons are prohibited from trading on the company's security during a closed period which is usually announced by the Company Secretary. The Bank has put in place a mechanism for monitoring compliance with the policy.

Remuneration Policy

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

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

Total compensation provided to employees will typically include guaranteed and variable portions. The specific proportion of each will be defined at the country level. Guar-

anteed pay will include base pay and other guaranteed portions while variable pay may be both performance-based and discretionary.

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

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

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

Whistleblowing Procedure

The Bank expects all its employees and Directors to observe the highest level of probity in their dealings with the Bank and its stakeholders. Our Whistleblowing Policy covers internal and external whistleblowers and extends to the conduct of the stakeholders including employees, vendors, and customers. It provides the framework for reporting suspected breaches of the Bank's internal policies and laws and regulations. The Bank has retained KPMG Professional Services to provide consulting assistance in the implementation of the policy. The policy provides that suspected wrong doing by an employee, vendor, supplier or consultant may be reported through the Bank's or KPMG's Ethics lines or e-mails, details of which are provided below.

Telephone

Internal: +234-1-2712065

External: The whistleblower is not billed for calls made within the same network.

The KPMG Toll Free Lines include:

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

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



9MOBILE:0809-993-6366

GLO: 0705-889-0140

E-Mail

Internal: whistleblower@accessbankplc.com

External: kpmgethicsline@ng.kpmg.com

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

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

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

Customers' Complaints and Resolution

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

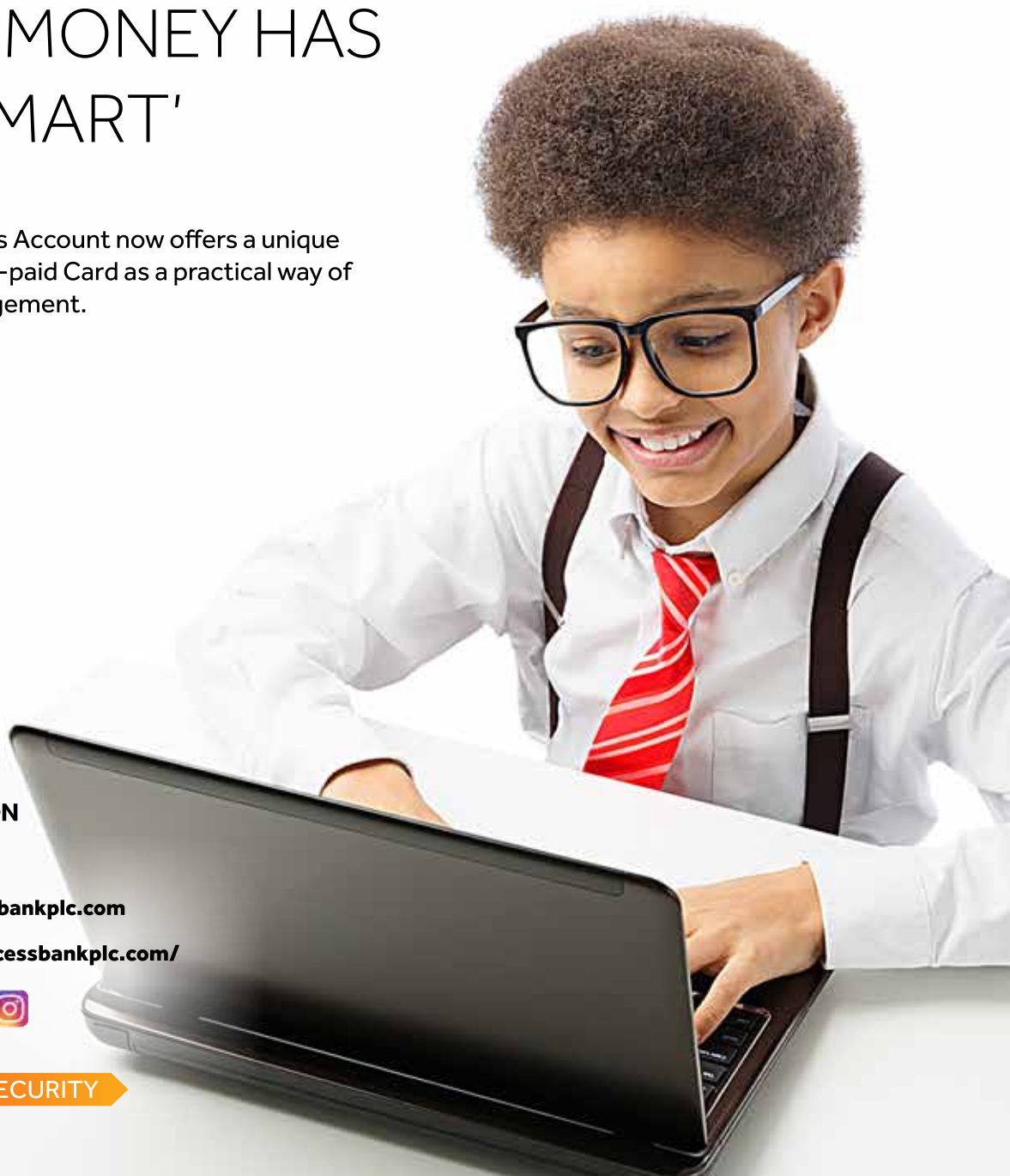
Statement of Compliance

The Bank complies with the relevant provisions of the SEC and the CBN Codes of Corporate Governance. In the event of any conflict between the provisions of the two codes regarding any matter, the Bank will defer to the provisions of the CBN Code as its primary regulator.



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SPEED SERVICE SECURITY



SECURITIES DEALING POLICY

1.0 INTRODUCTION

This Policy shall be read in conjunction with the Central Bank of Nigeria's Code of Corporate Governance for Banks and Discount Houses in Nigeria ('CBN Code'); the Securities and Exchange Commission's Rules (SEC Rules) and the Investments and Securities Act 2007 (ISA).

2.0 PURPOSE

This Policy aims to provide a framework for compliance with the CBN Code, the SEC Rules and the ISA provisions on dealing with the Bank's Securities by Directors, Senior Management and Employees of the Bank and its subsidiaries or a related company and all insiders (hereinafter called "Affected Persons"). It is intended to ensure that Affected Persons do not abuse, or place themselves under the suspicion of abusing privileged information or taking or benefiting from material non-public information at their disposal or which comes to their possession during the course of their duties, especially at periods leading up to the announcement of the Bank's financial results.

The Policy contains appropriate compliance standards and procedures that guaranty seamless implementation. It provides for internal review mechanism with a view to measuring compliance and effectiveness. Ultimately, it is the responsibility of Affected Persons to ensure that none of their dealings constitute insider trading. If an Affected Person is in doubt about any provision of this Policy, the person should consult the Company Secretary prior to undertaking any transaction on the Bank's securities or encouraging or procuring someone else to so deal.

3.0 DEFINITIONS

3.1 The following terms have the following meanings unless the context otherwise requires:

"Affected Persons" mean employees, senior management, members of Shareholders Audit Committee and Directors of the Bank and its subsidiaries or a Related Party;

"Audit Committee" means both the Statutory Au-

dit Committee and the Board Audit Committee of the Bank;

"Bank" means Access Bank Plc

"Company Secretary" means the Company Secretary of Access Bank Plc or any person duly authorised to discharge the functions of the Company Secretary for the time being in force;

"Dealing" means:

- a. any sale or purchase of, or agreement to sell or purchase any securities of the Bank;
- b. the grant to, or acceptance by such a person, of any option relating to such securities or of any other right or obligation, present or future, conditional or unconditional, to acquire or dispose of any such securities;
- c. the acquisition, disposal, exercise or discharge of, or any dealing with, any such option, right or obligation in respect of such securities;
- d. dealings between Directors and/or employees of the Bank;
- e. Over the Counter dealings;
- f. Off-Market Dealing; and
- g. transfers for no consideration.

"Director" means any person who occupies the position of a director in Access Bank Plc, or in any of its subsidiaries;

"Employee" means any person engaged under a contract of employment with the Bank or any of its subsidiaries, and any other persons engaged by a third party service provider or outsourcing agency to provide support services to Access Bank Plc or any of its subsidiaries;

"Holding" means any legal or beneficial interest, direct or indirect in the Bank's securities;

"Insider" shall include members of Audit Commit-



tee, Directors or employees of Access Bank and any of its subsidiaries, a related company and its employees, a company or firm engaged in a professional or business capacity with the Bank or any of its subsidiaries and their employees, including any shareholder who holds 5% or more of any class of the Bank's securities or a similar holding in any of its subsidiaries;

"Related Party" shall mean a spouse or partner or any other dependent relative who lives with the Affected Persons or for whom the Affected Person provides material financial support. This also includes those parties over whose trading activity the Affected Persons has a direct or indirect beneficial interest, control or investment influence.

"Securities" means any securities of Access Bank Plc admitted to trading on a Stock Exchange;

"Securities Dealing" means trading in the Bank's shares or any change whatsoever to the holding of securities of which the holder is an Affected Person at a period when an Affected Person is in possession or deemed to be in possession (actual or constructive) of material non-public information;

"Unpublished price-sensitive information" means information which:

- a. relates to particular securities of the Bank;
- b. is specific or precise;
- c. has not been made public; and
- d. if it were made public would likely have a significant effect on the price or value of any security.

4.0 PROHIBITION OF SECURITIES DEALINGS

- 4.1 Affected Person, Insiders and Related Parties shall not deal in any securities of the Bank in a manner and at the period that suggests he is in possession of privileged information whether actual or constructive. For clarity of purpose, any such persons shall be deemed to be in constructive possession of material non-public information where:
 - e. Such information is in the possession of a class or a group of persons to which such person belongs; or
 - f. by virtue of such person's duties, job description, sphere of service or business relationship with the Bank or any of its subsidiaries, he would reasonably be expected to possess such unpublished

price-sensitive information.

- 4.2 The Policy is designed to comply with applicable statutory and regulatory obligations, ensuring that businesses are conducted in line with industry standards and relevant regulatory requirements as well as protect proprietary or confidential information that may be in possession of such persons from being abused or misused.
- 4.3 In order to avoid a potential risk of speculative trading as well as to encourage Affected Persons to trade for investment purposes, persons who are presumed to possess some privileged information must hold their personal and privies' account positions for a minimum of 15 (fifteen) calendar days from the date of such presumption before any trade instructions can be executed.
- 4.4 Any person who is precluded by this policy from dealing in the Bank's securities must not encourage any other person or Related Party to do so and must refrain from disclosing such material non-public information or opinions which might likely lead to another person trading on that information.
- 4.5 It is recognised that Affected Persons perform different roles and functions within Access Bank Group with attendant different exposures to material non-public information. It is an obligation therefore for all Affected Persons to discharge their duty of care and contractual responsibility by ensuring that the information obtained by virtue of their respective positions is not communicated to a Related Party which may induce such party to trade on the Bank's securities.

5.0 NON-DEALING PERIODS

Save as otherwise communicated in writing by the Company Secretary, the following periods shall be deemed to be non-dealing periods:

- 5.1 A period of 30 days prior to the publication of the Bank's Quarterly Profit Forecast or its submission to regulatory authorities whichever occurs first;
- 5.2 A period of 30 days prior to the publication of the Bank's Quarterly Unaudited Accounts or its submission to regulatory authorities whichever occurs first;
- 5.3 A period of not less than 30 days prior to the Audit Committee's consideration of the Bank's Audited Accounts;
- 5.4 Any period after Board's approval of the Bank's Au-



dated Accounts but prior to the publication of the Accounts or its submission to regulatory authorities, whichever occurs first; and

- 5.5. Any other period as may be designated by the Group Managing Director/CEO as a Non-Dealing Period.

6.0 ROLES AND RESPONSIBILITIES

6.1 Board of Directors: The Board of Directors of Access Bank Plc shall have ultimate responsibility for this Policy. The Board shall initiate and maintain measures and controls to ensure adherence to this Policy.

6.2 Chief Conduct and Compliance Officer: The Chief Conduct and Compliance Officer shall monitor adherence and observance of this policy. He shall create sufficient awareness about the existence and terms of this policy. He shall investigate issues of non-compliance and suspicious trading and report same to the Board Audit Committee.

6.3 The Head, Human Resource Group: The Head Human Resource Group shall deal with breaches of this policy by facilitating disciplinary action and applying sanctions appropriately to defaulting persons. He shall keep records of breaches of this policy as part of each employee's record. Such disciplinary actions shall be without prejudice to the applicable statutory sanction for breach of the provisions of the ISA on the issue.

6.4 Company Secretary: The Company Secretary will render advice on this Policy, its applicability and consequence of breach.

7.0 EXCLUSION

Investment in Unit Trusts and Collective Investment Schemes are excluded from the ambit of this policy.

8.0 REPEAL

This Policy repeals and supersedes the existing Non-Dealing Periods Policy of the Bank.

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DIRECTORS' RESPONSIBILITIES

Statement of Directors' Responsibilities in relation to the consolidated Financial Statements for the year ended 31 December, 2017

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

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

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and





prudent judgements and estimates, in conformity with,

- International Financial Reporting Standards
- Prudential Guidelines for Licensed Banks in Nigeria;
- Relevant circulars issued by the Central Bank of Nigeria;
- The requirements of the Banks and Other Financial Institutions Act;
- The requirements of the Companies and Allied Matters Act; and
- The Financial Reporting Council of Nigeria Act

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

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

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Herbert Wigwe

Group Managing Director/Chief Executive Officer
FRC/2013/ICAN/0000001998
January 30, 2018

Roosevelt Ogbonna

Group Deputy Managing Director
FRC/2017/ICAN/00000016638
January 30, 2018



REPORT OF THE STATUTORY AUDIT COMMITTEE

In accordance with the provisions of Section 359(6) of the Companies and Allied Matters Act of Nigeria, the members of the Audit Committee of Access Bank Plc hereby report on the financial statements for the year ended 31 December, 2017 as follows:

- We have exercised our statutory functions under section 359(6) of the Companies and Allied Matters Act of Nigeria and acknowledge the co-operation of management and staff in the conduct of these responsibilities.
- We are of the opinion that the accounting and reporting policies of the Bank and Group are in agreement with legal requirements and agreed ethical practices and that the scope and planning of both the external and internal audits for the year ended 31 December, 2017 were satisfactory and reinforce the Group's internal control systems.
- We are satisfied that the Bank has complied with the provisions of Central Bank of Nigeria Circular BSD/1/2004 dated 18 February, 2004 on "Disclosure of Insider Related Credits in the Financial Statements of Banks". We hereby confirm that an aggregate amount of N1,650,860,935 (December, 2016: N2,693,131,022) was outstanding as at 31 December, 2017 which was performing as at 31 December, 2017 (see note 44)
- We have deliberated on the findings of the external auditors who have confirmed that necessary cooperation was received from Management in the course of their audit and we are satisfied with Management's responses thereon and with the effectiveness of the Bank's system of accounting and internal control.



Mr. Henry Omatsola Aragho

FRC/2017/ICAN/000001627

Chairman, Audit Committee

29 January, 2018

Members of the Audit Committee are:

1	Mr. Henry Omatsola Aragho	Shareholder	Chairman
2	Mr. Emmanuel Olutoyin Eleoramo	Shareholder	Member
3	Mr. Idaere Gogo Ogan	Shareholder	Member
4	Dr. Ernest Ndukwe	Independent Non-Executive Director	Member
5	Dr. (Mrs.) Ajoritsedere Awosika	Independent Non-Executive Director	Member
6	Mr. Abba Mamman Tor Habib	Non-Executive Director	Member

In attendance:

Sunday Ekwochi – Company Secretary



CUSTOMERS' COMPLAINTS FEEDBACK

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



Complaints Channels

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

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

Complaints Handling

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

is provided to the customer.

Resolve or Refer Command Centre

The 'Resolve or Refer' Command Centre serves to encourage timely service delivery and first time resolution of customer issues. The Command Centre is manned by a senior management staff with mandate to ensure that most customer issues are resolved same day. It provides support to all departments and branches on the resolution of customers' complaints.

Complaints Tracking and Reporting

We diligently track complaint information for continuous improvement of our processes and services. An independent review of the root cause of complaints is carried out and lessons learnt are fed back to the relevant business units to avoid reoccurrence. Customers' complaints metrics are analysed and reports presented to Executive Management and the Operational Risk Management Committee. Reports on customers' complaints are also sent to the Central Bank of Nigeria as required.

CUSTOMERS' COMPLAINTS REPORT FOR THE YEAR ENDED DECEMBER 31, 2017

S/N	NAIRA DESCRIPTION	NUMBER OF COMPLAINTS		AMOUNT CLAIMED (NAIRA)		AMOUNT REFUNDED (NAIRA)	
		2017	2016	2017	2016	2017	2016
1	Pending complaints B/F	8,658	132,396	1,233,437,410	623,867,921	-	-
2	Received complaints	285,737	204,773	26,168,583,765	31,382,190,881	-	-
3	Resolved complaints	285,842	328,511	27,229,511,381	30,772,621,392	106,889,998	3,058,341,677
4	Unresolved complaints escalated to Central Bank of Nigeria for intervention	-	-	-	-	-	-
5	Unresolved complaints pending with the Bank C/F	8,553	8,658	172,509,794	1,233,437,410	-	-

S/N	USD DESCRIPTION	NUMBER OF COMPLAINTS		AMOUNT CLAIMED (USD)		AMOUNT REFUNDED (USD)	
		2017	2016	2017	2016	2017	2016
1	Pending complaints B/F	78	116	1,694,114	-	-	-
2	Received complaints	1,609	1,618	91,096,663	69,878,941	-	-
3	Resolved complaints	1,637	1,656	90,365,863	68,184,828	-	118,688
4	Unresolved complaints escalated to Central Bank of Nigeria for intervention	-	-	-	-	-	-
5	Unresolved complaints pending with the Bank C/F	50	78	2,424,914	1,694,114	-	-





S/N	DESCRIPTION	NUMBER		AMOUNT CLAIMED (GBP)		AMOUNT REFUNDED (GBP)	
		2017	2016	2017	2016	2017	2016
1	Pending compliants B/F	3	6	-	7,000	-	-
2	Received complaints	78	93	3,851,731	786,508	-	-
3	Resolved complaints	79	96	3,840,531	793,508	-	5,024
4	Unresolved complaints escalated to CBN for intervention	-	-	-	-	-	-
5	Unresolved complaints pending with the bank C/F	2	3	11,200	-	-	-

S/N	DESCRIPTION	NUMBER		AMOUNT CLAIMED (EUR)		AMOUNT REFUNDED (EUR)	
		2017	2016	2017	2016	2017	2016
1	Pending compliants B/F	3	2	-	-	-	-
2	Received complaints	60	61	16,009,241	1,528,345	-	-
3	Resolved complaints	59	60	16,004,241	1,528,345	-	1,720
4	Unresolved complaints escalated to CBN for intervention	-	-	-	-	-	-
5	Unresolved complaints pending with the bank C/F	4	3	5,000	-	-	-

Solicited Customer Feedback

Deliberate efforts are made to solicit feedback from customers and staff on the Bank's services and products through the following:

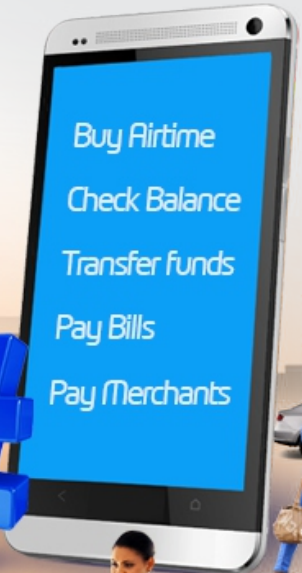
- Questionnaires
- Customer interviews
- Customers forum
- Quest for Excellence Sessions (for staff)
- Voice of Customer Surveys

The various feedback efforts are coordinated by our Service and Innovation Group. The feedback obtained from customers are reviewed and lessons learnt are used for staff training and service improvement across the Bank.

BANKING MADE EASY

Dial

*9001#



Buy Airtime
Check Balance
Transfer funds
Pay Bills
Pay Merchants

- Buy Airtime
- Check Balance
- Transfer Funds
- Pay Bills
- Pay Merchants

*Terms and Conditions apply

FOR MORE INFORMATION

☎ 01-271 2005-7

✉ contactcentre@accessbankplc.com

🌐 www.accessbankplc.com



SPEED SERVICE SECURITY



WHISTLEBLOWING REPORT

The Board of Access Bank expects all its employees, management, board members and other stakeholders to observe high ethical standards in all their dealings with the Bank.

Accordingly, the Bank has established a Code of Ethics that stipulates the minimum standards of conduct expected of our staff, management and directors as well as vendors, and customers in their interaction with the Bank. All our stakeholders are expected to observe the Code of Ethics in their dealings with the Bank.

We have implemented a whistleblowing policy to support the detection, reporting and investigation of unethical behaviours within the Bank. All stakeholders are expected to comply with the standards described in the policy in the reporting of suspected or actual unethical conduct or wrongdoing within the Bank. The whistleblowing programme is designed to encourage stakeholders to report any malpractice or misconduct which they observe or suspect within the Bank. The policy assures the whistleblower that his report will be treated with utmost confidentiality and seeks to encourage the reporting of concerns where the interest of the Bank and its stakeholders is at stake.

The implementation of the policy is therefore fundamental to strengthening stakeholders' confidence in Bank's professional integrity and reinforces its ethical values. It provides an avenue to address bona fide concerns that stakeholders may have about the Bank while also offering whistleblowers protection from victimization, harassment





or disciplinary proceedings. Stakeholders are encouraged to raise genuine concerns about misconduct, malpractices and unethical behavior at the earliest opportunity and in an appropriate way.

It provides the framework for reporting suspected breaches of the Bank's internal policies, laws and regulations. The Bank has retained KPMG Professional Services to provide consulting assistance in the implementation of the policy. The policy provides that suspected wrong doing by an employee, director, vendor or consultant may be reported through the Bank's or KPMG's Ethic Lines or e-mail details which are provided in the Policy.

The Policy complies with the requirements of Section 3.1 of the Central Bank of Nigeria (CBN) Guidelines for Whistleblowing for Banks and Other Financial Institutions in Nigeria and Section 5.3.1 of the Code of Corporate Governance for Banks and Discount Houses.

OUR WHISTLEBLOWING POLICY

1. Objectives of the Policy

The objectives of this Whistleblowing Policy ('The Policy') are as follows:

- To support the Bank's corporate philosophy.
- To enable the Bank to comply with the Central Bank of Nigeria Guidelines for Whistleblowing for Banks and Other Financial Institutions in Nigeria.
- To encourage stakeholders to confidentially raise concerns about unethical violation of the Bank's policies and Code of Conduct
- To reassure the whistleblower of protection from possible reprisals or victimization if a disclosure has been made in good faith.
- To inform stakeholder of the avenues open to them to report concerns.
- To encourage stakeholders to identify and challenge all improper, unethical or inappropriate behavior at all levels of the organization.
- To provide clear procedures for investigation and handling of such concerns.
- Proactively prevent and deter misconduct that could damage the Bank's reputation.

2. Scope of the Policy

The Policy applies to employees, management, directors and other stakeholders such as contractors, shareholders, job applicants and the general

public in all locations where the Bank operates. The reportable concerns include but are not limited to the following:

- Any type of fraud or misconduct
- Purchase of inferior goods
- Purchase of goods at inflated prices
- Forgery (use of fake certificates, false declaration of age, etc.)
- Leakage of confidential information
- Concealment of any malpractice
- Commission of offence by Access Bank's employee
- Conversion of the Bank's assets
- Collusion with suppliers and customers to defraud the Bank
- Bribery and corruption
- Conflicts of interest and non-disclosure of interest in a transaction involving the Bank
- Sexual harassment
- Abuse of authority
- Other breaches of the Bank's Code of Ethics or business principles
- Connected transactions not disclosed or reported in line with regulations.
- Insider abuse.
- Attempt to conceal any of the aforementioned acts.

However, judgement and discretion are required to determine misconduct that should be reported under this Policy. The general guide in identifying reportable misconduct is to report concerns that would be in the interest of the Bank and the general public and for appropriate sanctions to be applied.

3. The Culture of Whistleblowing

In the drive to entrench the culture of whistleblowing among members of staff, quarterly trainings are held on the benefits of whistleblowing and the channels through which whistleblowers can report their concerns are also published on the Bank's website. Any person who reports any irregularity, provided it is done in good faith and in compliance with the provisions of the Policy, shall be protected against any act of retaliation or intimidation. An employee who has suf-



ferred any detriment by reason of disclosure made pursuant to the provision of the policy shall be entitled to compensation and/or reinstatement provided that in the case of compensation, the employee's entitlement shall be computed as if he had attained the maximum age of retirement or had completed the maximum period of service, in accordance with his condition of service. For other stakeholders, the whistleblower shall be adequately compensated.

4. Channels and Procedures of Whistleblowing

The Bank had provided both internal and external whistleblowing channels.

4.1 Internal Whistleblowing Procedure:

The internal whistleblowing channels are as follows:

- Formal letter to the Group Managing Director, Access Bank Plc or the Head, Internal Audit, Access Bank Plc.
- Call or text messaging to dedicated phone numbers; 01-2712065 or IP 4160
- Dedicated email address – whistleblower@accessbankplc.com
- Via Access Bank's website – <https://www.accessbankplc.com/Pages/Customer-Support/Whistle-Blower.aspx>

The Internal Whistleblowing Hotline shall be available during working hours on work days only. However, the email channel will always be available and the information provided by the whistleblower shall be kept confidential.

Where the concerns are received by a member of staff other than the Group Managing Director/Chief Executive Officer, Chief Conduct and Compliance Officer or Chief Audit Executive, the recipient of such report shall be required to:

- Immediately pass the concern to the Chief Audit Executive and Head, Internal Audit Investigation Access Bank Plc for prompt investigation
- If the concerns affect the Head, Internal Audit Investigation or Chief Conduct and Compliance Officer, the Group Managing Director is notified. When a director or Board member is involved, such concerns shall be directed to the Chairman of the Board Audit or Board Risk Management Committee.

The concern(s) shall be presented in the following format:

- Background of the concerns (with relevant dates).
- Reason(s) why the whistleblower is particularly

concerned about the situation.

Where there is no merit in a complaint by a whistleblower, or it is clear that the person making such claim acted in good faith, the Chief Audit Executive shall ensure that the person suffers no reprisal. However, when a person makes a report in bad faith, particularly if it is based knowingly on false or misleading information, a report of finding should be kept on the incident without any disciplinary actions against the whistleblower.

This is without prejudice to the fundamental right of the internal whistleblower to seek redress in a court of law.

4.2 External Whistleblowing Procedure

The external reporting channel makes use of the KPMG Ethics Lines and facilities. The KPMG Ethics line facilities are telephone lines, fax lines and email address. The telephone lines are open between 8:00 a.m and 5:00 p.m on work days only. While the fax number and e-mail address are always available except during periods of maintenance.

Whether the whistleblower discloses his/her identity, KPMG will not provide any indication of the whistleblower's identity to Access Bank except KPMG has a written consent from the whistleblower to provide his/her identity to Access Bank.

Telephone calls generally are recorded and information is transcribed into a call sheet memo by KPMG for transmission to designated representatives of the Bank. Access Bank, its officers, staff, representatives or agents shall not be entitled to have access to such tape recordings, fax messages or email messages received from whistle blowers. These measures are necessary in order to maintain confidentiality and anonymity of the whistleblowers. Access Bank will only have access to the call sheet memos

- Through the KPMG Ethics Line
E-mail: kpmgethicsline@ng.kpmg.com
- Toll free numbers for calls from MTN numbers only:
0703-000-0026; 0703-000-0027
- Toll free number for calls from Airtel numbers only:
0708 060 1222; 0808-822-8888
- Toll free number for calls from 9MOBILE numbers only:
0809 993 6366



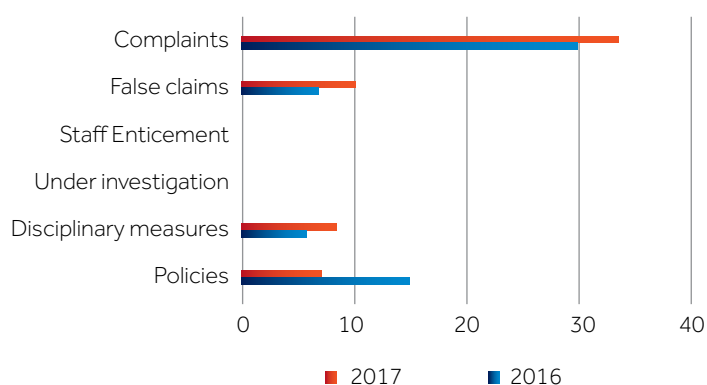
- Toll free number for calls from GLO numbers only:
0705 889 0140

whatsoever on the grounds that she/he has made a disclosure in accordance with the provisions of the CBN guidelines for whistle blowing even when it is untrue

4.3 Protection for Whistleblower

Any person who reports any irregularity, provided that this is done in good faith and in compliance with the provisions of this policy, shall be protected against any acts of retaliation. The Bank shall not subject a whistleblower to any detriment


Two-Year Analysis of Whistleblowing Cases



Regulatory Channels which can also be explored by the whistleblower are as stated below

Regulator	Address
Central Bank of Nigeria	Central Business District, Garki, Abuja, Nigeria Phone +234(0) 946237401 Email: anticorruptionunit@cbn.gov.ng
Nigeria Deposit Insurance Corporation	Plot 447/448 Constitution Av. Central Business District, Garki, Abuja Phone: +234(0) 94601380-9, 96171380-9 Email: info@ndic.org.ng, helpdesk@ndic.org.ng
Securities and Exchange Commission	SEC Towers, Plot 272, Samuel Adesujo Ademulegun St, Central Business District, Garki, Abuja Phone: +234(0) 94621159 Email: sec@sec.gov.ng
The Nigerian Stock Exchange	Stock Exchange House, 2/4 Custom St. Marina, Lagos Phone: +234(0) 14489373, 817243061, 81206463 Email: x-whistle@nse.com.ng

04 | FINANCIAL STATEMENTS



Consolidated and separate financial statements for the year ended 31 December, 2017.

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REPORT OF THE INDEPENDENT AUDITOR

TO THE MEMBERS OF ACCESS BANK PLC

Report on the audit of the consolidated and separate financial statements



Our opinion

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of Access Bank Plc ("the bank") and its subsidiaries (together "the group") as at 31 December 2017, and of their consolidated and separate financial performance and their consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Companies and Allied Matters Act, the Banks and Other Financial Institutions Act and the Financial Reporting Council of Nigeria Act.

What we have audited

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

- the consolidated and separate statements of financial position as at 31 December 2017;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report.

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

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key audit matters

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

Key audit matter

Impairment on loans and advances to customers – N63.9 billion (refer to notes 3.9, 4.0 and 23)

Management exercises significant judgment when determining both when and how much to record as impairment on loans and advances to customers.

The Group categorises its loans and advances portfolio into two (2) types in its calculations of impairment:

How our audit addressed the key audit matter

We understood and evaluated the design and operating effectiveness of the controls over loan loss impairment assessment across the Group to determine the extent of substantive testing required.



- Individual impairment assessment
- Collective impairment assessment

The individual impairment assessment is performed in order to determine if there is any objective evidence of loan impairment

Where an objective evidence of impairment is identified, these facilities are assessed based on their recoverable amounts i.e. present value of expected future cash flows discounted at the original effective interest rate, or the fair value of the collateral.

Where the recoverable amount is less than the carrying value of the facilities, management determines impairment loss as the difference between the carrying value and the recoverable amount.

Management uses external valuers to determine the fair value of collateral.

Allowances against all loans and advances not assessed individually and those assessed individually for which recoverable amount was higher than the carrying value are done on a collective basis.

Impairment allowances on the loans to be assessed collectively is done using a modelled basis for different portfolios with common features and allowances are adjusted accordingly based on the judgement of management.

Primary data fundamental to the assessment of collective impairment is the Probability of Default (PD), the Loss Given Default (LGD) and the exposure at default (EAD); which are all obtained using the bank's historical data, prevailing economic and credit conditions and loss experiences on how:

- Facilities have migrated between risk ratings over the periods (PD);
- Portion of the loan facilities determined to be irrecoverable at the time of default (LGD); and
- Loan amount at the time of default (EAD).

This is considered a key audit matter in both the consolidated and separate financial statements.

For individually significant loans, we evaluated the reasonableness of management's identification of impairment triggers. This was done by applying a risk based target testing approach in selecting a sample of customer facilities for detailed reviews of customer files and account statements to determine whether or not the customers met with their contractual obligations as well as identify other indicators of impairment.

For individually significant loans where impairment triggers were identified, we reviewed management's impairment assessment by comparing the fair value of the collateral to the total exposure.

Where the fair value of the collateral was insufficient to cover the total exposure, we checked to ensure that specific impairment was recognized on such loans.

Where the fair value of the collateral sufficiently covered the total exposure, we reviewed to determine that these category of facilities were assessed for collective impairment.

For significant facilities with impairment triggers, we obtained the collateral valuation report supporting the facilities. We selected samples of the collateral valuation reports and evaluated the competence, independence and objectivity of management's experts.

We applied a risk based targeted testing approach in performing a review of the collateral valuation reports by checking the contract agreement between the bank and the customer to assess the bank's legal rights over the collateral.

For the collective impairment assessment, we evaluated the reasonableness of management's assumptions with respect to the inputs into the collective impairment model.

We assessed the reasonableness of the probability of default (PD) by estimating how loan customers have migrated from the performing grade to the impaired assets grade in prior periods and determined an average risk rating per grade.

We evaluated the reasonableness of the Loss Given Default (LGD) by comparing it with the bank's historical data and supporting documents.

Valuation of available for sale investment securities – N69.6 billion (refer to notes 3.9, 4.1 and 25)

We focused on this area because of the significant judgements involved in estimating the fair value of these instruments.

We performed detailed evaluation of the validity and reasonableness of the techniques, inputs and the assumptions used by management.



Note 25 to the financial statements describes the elements that make up the available for sale investment securities balance. The most judgemental aspect of available for sale investment securities relate to the valuation of level 3 financial instruments (N 59.7 billion - refer to note 4.1.1), which we consider to be a key audit matter.

The following risks could lead to inaccurate fair values of available for sale investment securities:

- The Group uses a number of model types to value its level 3 financial instruments. Model deficiencies or inaccurate model parameters could lead to material misstatements of the financial statements; and
- Whilst some of the model inputs used for determining fair values are observable, there are unobservable inputs (such as illiquidity discount rate and hair cut) which could lead to valuation variances.

Inputs into the fair value approach include the ratio of Enterprise Value (EV) to Earnings Before Interest Tax, Depreciation and Amortisation (EBITDA), Price Earnings (P/E) ratios and Price to Book (P/B) ratios.

This is considered a key audit matter in both the consolidated and separate financial statements.

We checked that the valuation techniques used to determine the fair values of unquoted equity instruments were consistent with the market approach prescribed by the applicable standard.

We evaluated the principal assumptions and checked the inputs by comparing them to independent sources for reasonableness.

We assessed the valuation methodology and models for consistency by comparing to prior periods.

We reviewed the disclosures for compliance with the relevant standards.

Valuation of derivative financial instruments **Derivative financial assets - N 92.4 billion** **Derivative financial liabilities - N 5.3 billion (refer to notes 3.9, 4.1 and 21)**

Due to the significance of derivative financial instruments and the related estimation uncertainty, this is considered a key audit matter.

The fair value of derivative financial instruments is determined through the application of valuation techniques which often involve the exercise of judgement by management and the use of assumptions and estimates especially in the determination of forward rates and discount rates.

The Bank's derivative financial instruments are broadly categorized into the following:

- Forward contracts
- Swap contracts
- Non deliverable forward contracts

For forward and swap contracts which have terms to maturity of less than one year from the statement of financial position date, management obtains the input for the valuation (i.e. market rate) from a quoted market.

Non deliverable forward contracts are short tenured and are valued with respect to a reference market rate with no adjustment for discounting.

We obtained an understanding of the valuation techniques and inputs used by management.

We tested the validity of the underlying data used in management's valuation report. Furthermore, we employed the services of our valuation specialists in assessing the reasonableness of assumptions and models used.

For the forwards and swap contracts, we have assessed the reasonableness of management's fair value estimation by:

- discounting the payoff in each currency to the valuation date using that currency's swap curve;
- converting the foreign currency payoffs to local currency using spot exchange rates as at valuation date between local and the foreign currencies; and
- determining the value to the bank as the present value of the difference between the value to be received and the value to be paid (both in local currency).

With respect to non-deliverable forward contracts, we tested management's assessment of fair values by checking the market rate differential between the contracted exchange rate and the spot exchange rates.



This is considered a key audit matter in the separate financial statements only.

We have also assessed the adequacy of the Group's disclosures including the accuracy of the categorisation into the fair value measurement hierarchy and adequacy of the disclosure of the valuation techniques.

Disclosure of the impact of IFRS 9 transition

On 1 January 2018, the Group transitioned to financial instruments accounting standard IFRS 9 which replaced IAS39.

The estimated transition impact is disclosed in the consolidated and separate financial statement in accordance with IAS 8.

We focused on this area because of the significant judgement applied by management in estimating the impairment allowances under an expected credit loss (ECL) model.

The new IFRS 9 standard introduces new requirements around the classification and measurement of financial instruments, potentially resulting in fair value differences. In order to meet the requirements of the new standard, significant changes have also been made to systems, processes and controls with effect from 1 January 2018.

ECLs are expected to incorporate forward looking information, reflecting management's view of potential impacts of future economic environments on the impairment charge. The bank's estimates of ECL also reflects an unbiased and probability weighted amount determined by evaluating a range of multiple economic scenarios.

These complexities require management to develop new methodologies involving the use of significant assumptions and judgements.

This is considered a key audit matter in both the consolidated and separate financial statements.

We obtained the bank's new financial instrument classification and measurement policy and checked that it met the requirements of IFRS 9.

We checked management's estimate of the transition adjustment by focusing on:

- model development, validation and approval to ensure compliance with IFRS 9 requirements;
- review and approval of key assumptions, judgements and forward looking information prior to use in the ECL model; and
- the integrity of data used as input to the model;

With the assistance of our credit modelling experts, we reviewed the judgements and assumptions supporting management's determination of Probability of Default, Loss Given Default and staging assessment used in the modelling of expected credit losses.

We assessed reasonableness of forward looking macro-economic information incorporated into the impairment calculations by using our experts to review the assumptions and methodology.

We assessed the adequacy of the underlying disclosures related to the transition impact.

Other information

The directors are responsible for the other information. The other information comprises: Corporate Information, Directors' Report, Corporate Governance Report, Statement of Directors' Responsibilities, Report of the Statutory Audit Committee, Risk Management Framework Report, Customer Complaints and Feedback, Value Added Statement and Five Year Financial Summary (but does not include the consolidated and separate financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and Business and Financial Highlights Report, Locations and Offices, Chairman's Statement, Chief Executive's Review, Corporate Philosophy, Report of the External Consultant, Commercial Banking, Business Banking, Personal Banking, Corporate and Investment Banking, Transactions Services & Settlement Banking, Operations and Information Technology, Digital Banking, Our People, Culture and Diversity and Sustainability Report, Shareholder information and Corporate information which are expected to be made available to us after that date.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the



consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information not yet received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the directors and those charged with governance for the consolidated and separate financial statements

The directors are responsible for the preparation of the consolidated and separate financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act, the Financial Reporting Council of Nigeria Act, the Banks and Other Financial Institutions Act, 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 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 or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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 judgment and maintain professional scepticism 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 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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements,



including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other legal and regulatory requirements

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

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) The bank has kept proper books of account, so far as appears from our examination of those books and returns adequate for our audit have been received from branches not visited by us;
- iii) The bank's statement of financial position and statement of comprehensive income are in agreement with the books of account;
- iv) The information required by Central Bank of Nigeria Circular BSD/1/2004 on insider related credits is disclosed in Note 44 to the consolidated and separate financial statements; and
- v) Except for the contraventions disclosed in Note 41 to the consolidated and separate financial statements, the bank has complied with the requirements of the relevant circulars issued by the Central Bank of Nigeria.

For: PricewaterhouseCoopers

Chartered Accountants

Lagos, Nigeria

Engagement Partner: Anthony Oputa

FRC/2013/ICAN/00000000980



21 March 2018

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**CONSOLIDATED
FINANCIAL
STATEMENTS**





Consolidated statement of comprehensive income

for the year ended 31 December 2017

In thousands of Naira	Notes	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Interest income	8	319,854,402	247,286,635	274,670,641	210,794,456
Interest expense	8	(156,402,857)	(108,138,875)	(143,133,607)	(94,777,050)
Net interest income		163,451,545	139,147,760	131,537,034	116,017,406
Net impairment charge	9	(34,466,868)	(21,952,819)	(29,149,849)	(17,641,127)
Net interest income after impairment charges		128,984,677	117,194,941	102,387,185	98,376,279
Fee and commission income	10	56,674,334	55,440,500	45,785,985	45,992,484
Fee and commission expense		(77,017)	(576,697)	-	-
Net fee and commission income		56,597,317	54,863,803	45,785,985	45,992,484
Net (loss)/gains on investment securities	11a,b	(33,403,225)	55,051,078	(32,832,665)	54,968,917
Net foreign exchange income/(loss)	12	107,932,097	3,597,591	103,621,339	(94,434)
Other operating income	13	8,018,171	19,944,978	6,916,275	19,339,549
Personnel expenses	14	(54,806,795)	(51,795,538)	(41,773,512)	(42,153,587)
Rent expenses		(2,484,695)	(2,810,090)	(1,622,069)	(1,632,377)
Depreciation	28	(11,237,951)	(9,106,886)	(9,499,180)	(7,774,591)
Amortization	29	(2,407,886)	(2,186,905)	(1,946,601)	(1,854,437)
Other operating expenses	15	(117,119,230)	(94,413,516)	(103,993,256)	(84,588,227)
Profit before tax		80,072,480	90,339,456	67,043,501	80,579,576
Income tax	16	(18,081,628)	(18,900,109)	(13,804,679)	(16,553,441)
Profit for the year		61,990,852	71,439,347	53,238,822	64,026,135
Other comprehensive income (OCI) net of income tax:					
items that will not be subsequently reclassified to income statement:					
Remeasurements of post-employment benefit obligations		439,597	2,590,139	439,597	2,590,139
Items that may be subsequently reclassified to the income statement:					
Foreign currency translation differences for foreign subsidiaries					
- Unrealised gains during the year		15,768,641	19,458,036	-	-
Net changes in fair value of AFS financial instruments					
- Fair value changes during the year		12,791,695	10,012,499	11,913,378	10,063,039
Other comprehensive gain, net of related tax effects		28,999,933	32,060,674	12,352,975	12,653,178
Total comprehensive income for the year		90,990,785	103,500,021	65,591,797	76,679,313
Profit attributable to:					
Owners of the bank		61,977,762	71,117,025	53,238,822	64,026,135
Non-controlling interest	38	13,090	322,322	-	-
Profit for the year		61,990,852	71,439,347	53,238,822	64,026,135
Total comprehensive income attributable to:					
Owners of the bank		90,109,906	101,241,269	65,591,797	76,679,313
Non-controlling interest		880,879	2,258,752	-	-
Total comprehensive income for the year		90,990,785	103,500,021	65,591,797	76,679,313
Earnings per share attributable to ordinary shareholders					
Basic (kobo)	17	218	250	184	221
Diluted (kobo)	17	214	246	184	221

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





Consolidated statement of financial position

As at 31 December 2017

In thousands of Naira	Notes	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Assets					
Cash and balances with banks	18	953,944,176	713,889,105	657,144,247	517,997,249
Investment under management	19	20,257,131	14,871,247	20,257,131	14,871,247
Non pledged trading assets	20	46,854,061	44,629,579	43,016,990	44,629,579
Derivative financial assets	21	93,419,293	156,042,984	92,390,219	155,772,662
Loans and advances to banks	22	68,114,076	45,203,002	101,429,001	104,006,574
Loans and advances to customers	23	1,995,987,627	1,809,459,172	1,771,282,739	1,594,562,345
Pledged assets	24	447,114,404	314,947,502	440,503,327	314,947,502
Investment securities	25	278,167,757	229,113,772	121,537,303	161,200,642
Other assets	26	82,753,431	63,255,054	65,189,797	50,594,480
Investment in subsidiaries	27b	-	-	87,794,631	59,239,252
Property and equipment	28	97,114,640	84,109,052	83,676,722	71,824,472
Intangible assets	29	8,295,855	6,939,555	5,981,905	5,173,784
Deferred tax assets	30	740,402	1,264,813	-	-
		4,092,762,853	3,483,724,837	3,490,204,012	3,094,819,788
Asset classified as held for sale	31	9,479,967	140,727	9,479,967	140,727
Total assets		4,102,242,820	3,483,865,564	3,499,683,979	3,094,960,515
Liabilities					
Deposits from financial institutions	32	450,196,970	167,356,583	276,140,835	95,122,188
Deposits from customers	33	2,244,879,075	2,089,197,286	1,910,773,713	1,813,042,872
Derivative financial liabilities	21	5,332,177	30,444,501	5,306,450	30,275,181
Current tax liabilities	16	7,489,586	5,938,662	4,547,920	5,004,160
Other liabilities	34	253,914,174	113,571,240	238,695,686	107,538,941
Deferred tax liabilities	30	8,764,262	3,699,050	7,848,515	3,101,753
Debt securities issued	35	302,106,706	316,544,502	302,106,706	243,952,418
Interest-bearing borrowings	36	311,617,187	299,543,707	282,291,141	372,179,785
Retirement benefit obligation	37	2,495,274	3,075,453	2,481,916	3,064,597
Total liabilities		3,586,795,411	3,029,370,984	3,030,192,882	2,673,281,895
Equity					
Share capital and share premium	38	212,438,802	212,438,802	212,438,802	212,438,802
Retained earnings		117,701,679	93,614,030	120,218,603	93,329,188
Other components of equity	38	178,399,413	142,194,720	136,833,692	115,910,630
Total equity attributable to owners of the Bank		508,539,894	448,247,552	469,491,097	421,678,620
Non controlling interest		6,907,515	6,247,028	-	-
Total equity	38	515,447,409	454,494,580	469,491,097	421,678,620
Total liabilities and equity		4,102,242,820	3,483,865,564	3,499,683,979	3,094,960,515

Signed on behalf of the Board of Directors on 30 January, 2018 by:


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


GROUP DEPUTY MANAGING DIRECTOR
 Roosevelt Ogbonna
 FRC/2017/ICAN/00000016638


CHIEF FINANCIAL OFFICER
 Oluseyi Kumapayi
 FRC/2013/ICAN/00000000911



Consolidated statement of changes in equity

Attributable to owners of the Bank

In thousands of Naira Group	Share capital	Share premium	Regulatory risk reserve	Other ¹ regulatory reserves	Share scheme reserve	Treasury Shares	Capital reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total Controlling interest	Non Controlling interest	Total Equity
Balance at 1 January 2017	14,463,986	197,974,816	42,932,550	62,615,212	1,211,978	(3,286,375)	3,489,080	23,240,250	11,992,025	93,614,030	448,247,552	6,247,028	454,494,580
Total comprehensive income for the year:													
Profit for the year	-	-	-	-	-	-	-	-	-	61,977,762	61,977,762	13,090	61,990,852
Other comprehensive income, net of tax													
Unrealised foreign currency translation difference	-	-	-	-	-	-	-	-	14,821,475	-	14,821,475	947,166	15,768,641
Actuarial gain on remeasurement of retirement benefit (net of tax)	-	-	-	-	-	-	-	-	-	439,597	439,597	-	439,597
Net changes in fair value of AFS financial instruments	-	-	-	-	-	-	-	12,871,072	-	-	12,871,072	(79,377)	12,791,695
Total other comprehensive income	-	-	-	-	-	-	-	12,871,072	14,821,475	439,597	28,132,144	867,789	28,999,933
Total comprehensive income	-	-	-	-	-	-	-	12,871,072	14,821,475	62,417,359	90,109,906	880,879	90,990,785
¹ See Note 38C (f)													
² See Note 38E													
Transactions with equity holders, recorded directly in equity:													
Transfers during the year	-	-	487,737	7,946,944	-	-	-	-	-	(8,434,681)	-	-	-
Transactions with non-controlling interests: (a)	-	-	-	-	-	-	-	-	-	(11,091,849)	(220,392)	-	(11,312,241)
Scheme shares	-	-	-	-	1,170,693	(742,535)	-	-	-	-	428,158	-	428,158
Vested shares	-	-	-	-	(350,693)	-	-	-	-	(350,693)	-	-	(350,693)
Dividend paid to equity holders	-	-	-	-	-	-	-	-	-	(18,803,180)	(18,803,180)	-	(18,803,180)
Total contributions by and distributions to equity holders	-	-	487,737	7,946,944	820,000	(742,535)	-	-	-	(38,329,710)	(29,817,564)	(220,392)	(30,037,956)
Balance at 31 December 2017	14,463,986	197,974,816	43,420,287	70,562,156	2,031,978	(4,028,910)	3,489,080	36,111,322	26,813,500	117,701,679	508,539,894	6,907,515	515,447,409

Consolidated statement of changes in equity

In thousands of Naira

Attributable to owners of the Bank

Group	Share capital	Share premium	Regulatory risk reserve	Other regulatory reserves	Share Scheme reserve	Treasury Shares	Capital reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total	Non Controlling interest	Total Equity
Balance at 1 January 2016	14,463,986	197,974,816	39,625,042	50,097,911	554,898	(1,732,771)	3,489,080	13,268,889	(5,570,719)	51,730,369	363,901,501	3,899,966	367,801,467
Total comprehensive income for the year: Profit for the year (Restated. See Note 46)	-	-	-	-	-	-	-	-	71,117,025	71,117,025	71,117,025	322,322	71,439,347
Other comprehensive income, net of tax	-	-	-	-	-	-	-	-	-	-	-	-	-
Unrealised foreign currency translation difference	-	-	-	-	-	-	-	-	17,562,744	-	17,562,744	1,895,292	19,458,036
Realised foreign currency translation difference	-	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial gains on remeasurement of retirement benefit (net of tax)	-	-	-	-	-	-	-	-	-	2,590,139	2,590,139	-	2,590,139
Net changes in fair value of AFS financial instruments	-	-	-	-	-	-	-	9,971,361	-	-	9,971,361	41,138	10,012,499
Fair value changes on AFS financial instruments from associates	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-	-	-	9,971,361	17,562,744	2,590,139	30,124,244	1,936,430	32,060,674
Total comprehensive income	-	-	-	-	-	-	-	9,971,361	17,562,744	73,707,164	101,241,269	2,258,752	103,500,021
Transactions with equity holders, recorded directly in equity:	-	-	3,307,508	12,517,301	-	-	-	-	-	(15,824,809)	-	-	-
Transfers during the year	-	-	-	-	-	-	-	-	-	(88,310)	(88,310)	88,310	-
Deemed disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	(492,534)	-	(492,534)
Scheme shares	-	-	-	-	1,061,070	(1,553,604)	-	-	-	-	(403,990)	-	(403,990)
Vested Shares	-	-	-	-	(403,990)	-	-	-	-	-	(15,910,384)	-	(15,910,384)
Dividend paid to equity holders	-	-	-	-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to equity holders	-	-	3,307,508	12,517,301	657,080	(1,553,604)	-	-	-	(31,823,503)	(16,895,218)	88,310	(16,806,908)
Balance at 31 December 2016	14,463,986	197,974,816	42,932,550	62,615,212	1,211,978	(3,286,375)	3,489,080	23,240,250	11,992,025	93,614,030	448,247,552	6,247,028	454,494,580





Statement of changes in equity

In thousands of Naira

Bank	Share capital	Share premium	Regulatory risk reserve	Other ¹ regulatory reserves	Share Scheme reserve	Capital Reserve	Fair value reserve	Retained earnings	Total Equity
Balance at 1 January, 2017	14,463,986	197,974,816	35,058,266	53,001,072	1,008,118	3,489,081	23,354,093	93,329,188	421,678,620
Total comprehensive income for the year:									
Profit for the year	-	-	-	-	-	-	-	53,238,822	53,238,822
Other comprehensive income, net of tax									
Actuarial gain on remeasurement of retirement benefit	-	-	-	-	-	-	-	439,597	439,597
Net changes in fair value of AFS financial instruments	-	-	-	-	-	-	11,913,378	-	11,913,378
Total other comprehensive income	-	-	-	-	-	-	11,913,378	439,597	12,352,975
Total comprehensive income	-	-	-	-	-	-	11,913,378	53,678,419	65,591,797
Transactions with equity holders, recorded directly in equity:									
Transfers for the year	-	-	-	7,985,824	-	-	-	7,985,824	-
Dividend paid to equity holders	-	-	-	-	-	-	-	(18,803,180)	(18,803,180)
Scheme shares	-	-	-	-	1,023,860	-	-	-	1,023,860
Total contributions by and distributions to equity	-	-	-	7,985,824	1,023,860	-	-	(26,789,004)	(17,779,320)
Balance at 31 December 2017	14,463,986	197,974,816	35,058,266	60,986,896	2,031,978	3,489,081	35,267,471	120,218,603	469,491,097

¹ See Note 38c (i)

Statement of changes in equity

In thousands of Naira

Bank	Share capital	Share premium	Regulatory risk reserve	Other regulatory reserves	Share Scheme reserve	Capital Reserve	Fair value reserve	Retained earnings	Total Equity
Balance at 1 January, 2016	14,463,986	197,974,816	37,826,382	43,397,152	527,331	3,489,081	13,291,054	49,459,102	360,428,904
Total comprehensive income for the year:									
Profit for the year	-	-	-	-	-	-	-	64,026,135	64,026,135
Other comprehensive income, net of tax									
Actuarial gain on remeasurement of retirement benefit	-	-	-	-	-	-	-	2,590,139	2,590,139
Net changes in fair value of AFS financial instruments	-	-	-	-	-	-	10,063,039	-	10,063,039
Total other comprehensive income	-	-	-	-	-	-	10,063,039	2,590,139	12,653,178
Total comprehensive income	-	-	-	-	-	-	10,063,039	66,616,274	76,679,313
Transactions with equity holders, recorded directly in equity:									
Transfers for the year	-	-	(2,768,116)	9,603,920	-	-	-	(6,835,804)	-
Dividend paid to equity holders	-	-	-	-	-	-	-	(15,910,384)	(15,910,384)
Proceed from right issue	-	-	-	-	-	-	-	-	-
Scheme shares	-	-	-	-	884,777	-	-	-	884,777
Vested Shares	-	-	-	-	(403,990)	-	-	-	(403,990)
Total contributions by and distributions to equity	-	-	(2,768,116)	9,603,920	480,787	-	-	(22,746,188)	(15,429,597)
Balance at 31 December 2016	14,463,986	197,974,816	35,058,266	53,001,072	1,008,118	3,489,081	23,354,093	93,329,188	421,678,620





Consolidated statement of cash flows

In thousands of Naira		Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Cash flows from operating activities	Note				
Profit before income tax		80,072,480	90,339,456	67,043,501	80,579,576
Adjustments for:					
Depreciation	28	11,237,951	9,106,886	9,499,180	7,774,591
Amortization	29	2,407,886	2,186,905	1,946,601	1,854,437
Gain on disposal of property and equipment	13	(10,090)	(167,340)	(902)	(143,985)
Gain on disposal of available for sale securities	13	-	(16,206,410)	-	(16,206,410)
Impairment on financial assets	9	34,466,868	21,952,819	29,149,849	17,641,128
Additional gratuity provision	14	753,058	1,207,851	753,058	1,196,995
Restricted share performance plan expense	14	1,170,693	1,061,070	1,023,860	884,777
Property and equipment written off	28	-	361,001	-	155,143
Net interest income	8	(163,451,545)	(137,289,619)	(131,537,034)	(116,017,406)
Unrealised foreign exchange loss on revaluation	12	12,330,254	5,246,704	12,526,107	5,326,545
Dividends on available for sale equity securities	13	(2,357,175)	(860,339)	(2,357,175)	(860,339)
		(23,379,620)	(23,061,016)	(11,952,955)	(17,814,948)
Changes in operating assets					
Non-pledged trading assets		(2,532,464)	7,622,062	1,612,589	7,622,062
Derivative financial instruments		39,272,532	(50,771,390)	38,413,712	(50,061,510)
Pledged assets		(132,166,902)	(111,232,105)	(125,555,825)	(114,482,878)
Restricted deposits		(93,261,157)	(130,490,427)	(92,845,896)	(129,978,902)
Loans and advances to banks and customers		(157,481,610)	(376,205,828)	(146,875,704)	(293,285,572)
Other assets		(22,207,412)	17,588,435	(17,301,652)	24,813,416
Changes in operating liabilities					
Deposits from financial institutions		282,378,081	94,853,538	180,413,510	32,098,779
Deposits from customers		128,556,097	368,213,235	73,170,265	279,424,380
Other liabilities		140,342,933	44,215,293	131,156,489	43,444,581
Payment to gratuity benefit holders		(707,744)	-	(707,744)	-
Interest paid on deposits to banks and customers		(101,532,364)	(77,202,482)	(90,953,447)	(62,659,950)
Interest received on loans and advances		204,920,752	228,932,846	173,647,956	162,170,378
		262,201,122	(7,537,839)	112,221,298	(118,710,164)
Income tax paid		(9,458,675)	(8,007,140)	(7,860,615)	(5,222,302)
Net cash generated from/(used in) operating activities		252,742,447	(15,544,979)	104,360,683	(123,932,466)
Cash flows from investing activities					
Acquisition of investment securities		(933,672,018)	(512,931,206)	(600,884,620)	(442,207,340)
Interest received on investment securities		58,941,173	38,148,395	44,099,567	23,716,900
Investment under management		-	(1,830,000)	-	(1,830,000)
Dividend received	13	2,357,175	860,339	2,357,175	860,339
Acquisition of property and equipment	28	(22,624,987)	(18,042,759)	(22,383,831)	(14,703,152)
Proceeds from the sale of property and equipment		236,341	562,167	214,780	436,417
Acquisition of intangible assets	29	(3,454,724)	(2,537,024)	(2,754,724)	(2,050,313)
Proceeds from disposal of asset held for sale		30,000	39,116	30,000	39,116
Proceeds from matured investment securities		347,565,681	121,997,751	248,075,428	110,725,856
Additional investment in subsidiaries		-	-	(27,678,395)	(12,350,316)
Proceeds from sale of investment securities		543,982,533	403,664,891	425,785,910	388,554,135
Proceeds from sale of equity investments		-	16,347,587	-	16,347,587
Net cash generated from investing activities		(6,638,826)	46,279,257	66,861,290	67,539,229



Consolidated statement of cash flows (Cont'd)

Cash flows from financing activities

Interest paid on interest bearing borrowings and debt securities issued		(52,522,041)	(23,198,980)	(57,955,972)	(24,892,489)
Proceeds from interest bearing borrowings	36(m)	43,577,454	69,307,930	13,337,948	69,307,930
Repayment of interest bearing borrowings	36(m)	(34,371,397)	(28,626,050)	(99,011,336)	(63,090,135)
Purchase of own shares		(742,535)	(1,553,603)	-	-
Dividends paid to owners		(18,803,180)	(15,910,384)	(18,803,180)	(15,910,384)
Debt securities issued	35	121,486,981	86,904,970	121,486,981	86,904,970
Repayment of debt securities issued	35	(151,694,953)	(10,430,980)	(79,102,869)	(11,686,080)
Net cash (used in)/generated from financing activities		(93,069,671)	76,492,903	(120,048,428)	40,633,812
Net increase/(decrease) in cash and cash equivalents		153,033,950	107,227,181	51,173,545	(15,759,425)
Cash and cash equivalents at beginning of year	40	341,245,964	234,044,111	147,637,972	163,405,750
Net increase/ (decrease) in cash and cash equivalents		153,033,950	107,227,181	51,173,545	(15,759,425)
Effect of exchange rate fluctuations on cash held		(855,615)	(25,328)	-	(8,353)
Cash and cash equivalents at end of year	40	493,424,299	341,245,964	198,811,517	147,637,972



Notes

1.0 General information

Access Bank Plc ("the Bank") is a company domiciled in Nigeria. The address of the Bank's registered office is Plot 999c, Danmole Street, off Adeola Odeku/Idejo Street, Victoria Island, Lagos (formerly Plot 1665, Oyin Jolayemi, Victoria Island, Lagos). The consolidated financial statements of the Bank for the year ended 31 December 2017 comprise the Bank and its subsidiaries (together referred to as "the Group" and separately referred to as "Group entities"). The Group is primarily involved in investment, corporate, commercial and retail banking and is listed on the Nigerian Stock Exchange.

These financial statements were authorised for issue by the Board of Directors on 30 January 2018. The directors have the power to amend and reissue the financial statements.

2.0 Statement of compliance with International Financial Reporting Standards

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

3.0 Basis of preparation

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

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

3.1 Summary of significant accounting policies

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

(a) Functional and presentation currency

These consolidated financial statements are presented in Naira, which is the Group's presentation currency; except where indicated, financial information presented in Naira has been rounded to the nearest thousand.

(b) Basis of measurement

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

- derivative financial instruments are measured at fair value.
- non-derivative financial instruments at fair value through profit or loss are measured at fair value.
- available-for-sale financial assets are measured at fair value.
- the liability for defined benefit obligations is recognised as the present value of the defined benefit obligation and related current service cost
- non-current assets held for sale measured at fair value less costs to sell.
- share based payment at fair value or an approximation of fair value allowed by the relevant standard.



(c) Use of estimates and judgments

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

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

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

3.2 Changes in accounting policy and disclosures

(a) New and amended standards adopted by the group

Below are the IFRSs and International Financial Reporting Interpretations Committee (IFRIC) interpretations that are effective for the first time for the financial year beginning on or after 1 January 2017 that are relevant to the group.

None of these standards were early adopted in the prior year by the Group as early adoption is not permitted by the Financial Reporting Council of Nigeria (FRCN).

(i) Amendments to IFRS 7 - Financial Instruments: Disclosures

"Amends IFRS 7 to remove the phrase 'and interim years within the annual years' from paragraph 44R, clarifying that offsetting disclosures is not required in the condensed interim financial report. However, if the IFRS 7 disclosures provide a significant update to the information reported in the most recent annual report, an entity is required to include the disclosures in the condensed interim financial report.

On servicing contract, it clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance for continuing involvement in paragraphs IFRS 7.B30 and IFRS 7.42C in order to assess whether the disclosures are required. This standard does not have any impact on this financial statement."

(ii) Amendments to IAS 19 - Defined Benefit Plans: Employee Contributions

Amends IAS 19 to clarify that high quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid (thus, the depth of the market for high quality corporate bonds should be assessed at currency level).

There is no material impact on the accounting policies, financial position or performance of the Group.

(iii) Amendments to IAS 12 – Income Taxes. (with effective date of 1 January 2017)

Amends IFRS 12 to clarify accounting treatment for deferred tax assets for unrealized losses on debt instruments measured at fair value. The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explains in which circumstances taxable profit may include the recovery of some assets for more than their carrying amount.

(iv) Amendments IAS 7 – Statement of Cash Flows. (with effective date of 1 January 2017)

Amends IAS 7 to include disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendment specifies that the following changes arising



from financing activities are disclosed (to the extent necessary):

- (i) changes from financing cash flows;
- (ii) changes arising from obtaining or losing control of subsidiaries or other businesses;
- (iii) the effect of changes in foreign exchange rates;
- (iv) changes in fair values; and (v) other changes.

(b) New and amended standards and interpretations not yet adopted by the Group

As at year end, a number of standards and interpretations, and amendments thereto, had been issued by the IASB which are not yet effective for these consolidated financial statements. Details are set out below.

IFRS 9 Financial Instruments: Classification and Measurement (effective 1 January 2018)

“The International Accounting Standards Board (IASB) issued the final version of IFRS 9 Financial Instruments in July 2014. The standard is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted. It replaces IAS 39 Financial Instruments: Recognition and Measurement.

As permitted by the transitional provisions of IFRS 9, the Group elected not to restate comparative figures.

Any adjustments to the carrying amounts of financial assets and liabilities at the date of transition will be recognised in the opening retained earnings and other reserves of the current period.

The adoption of IFRS 9 has resulted in changes in our accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7 Financial Instruments: Disclosures.

Set out below are disclosures relating to the impact of the adoption of IFRS 9 on the Group.

Classification and measurement of financial instruments

There were no changes to the classification and measurement of financial liabilities, other than to changes in the fair value of financial liabilities designated at fair value through profit or loss that are attributable to changes in the instrument's credit risk, which are now presented in other comprehensive income.

Decisions points

The implementation of IFRS 9 requires certain decisions to be taken by the management and approved in line the relevant governance framework. Management has assessed the complexity of each decision point and identified a range of policy options available for each. Management also considered conceptual suitability, implementation feasibility and regulatory directives on each option. A summary of key decision points, policy options for each decision point and the policy chosen by management is shown below:

S/N	Area	Decision
1	Determining lifetime PDs	Use external lifetime PD term structure
2	Determining other lifetime inputs	Assume external 12M is a reasonable proxy
3	Source of macroeconomic inputs	Combine internal & external sources
4	Quantification of impact	Combined approach
5	Incorporating multiple scenarios	Probability weighted provisions
6	Incorporating multiple non-macroeconomic scenarios	Probability weighted provisions
7	Origination date	Last re-price
9	Key origination inputs	Internal and external credit scores



10	Forward looking data	Management overlays/Judgement
11	Metrics for credit risk	Combine internal and external credit scores and metrics
12	Definition of default	Prudential guidelines definition
13	Use of qualitative information within transition test	Specific qualitative information
14	Reliance on only 30 days past due for transition test	No. Other factors will be considered
15	Rebuttal of 30 days past due assumption	Yes, for specific portfolios
16	Restating comparatives	Comparatives will not be restated

Impairment

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

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

Staging Assessment

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in "Stage 1" and has its credit risk continuously monitored by the Group.
- If a significant increase in credit risk ("SICR") since initial recognition is identified, the financial instrument is moved to "Stage 2" but is not yet deemed to be credit-impaired.
- If the financial instrument is credit-impaired, the financial instrument is then moved to "Stage 3".
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward looking information.
- Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

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-months expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

Stage 1 and Stage 2 credit loss allowances effectively replace the collectively-assessed allowance for loans not yet identified as impaired recorded under IAS 39, while Stage 3 credit loss allowances effectively replace the individually assessed allowances for impaired loans. Under IFRS 9, the population of financial assets and corresponding allowances disclosed as Stage 3 will not necessarily correspond to the amounts of financial assets currently disclosed as impaired in accordance with IAS 39. Consistent with IAS 39, loans are written off when there is no realistic probability of recovery. Accordingly, our policy on when financial assets are written-off will not significantly change on adoption of IFRS 9.

Because all financial assets within the scope of the IFRS 9 impairment model will be assessed for at least 12-months of expected credit losses, and the population of financial assets to which full lifetime expected credit losses applies is larger than the population of impaired loans for which there is objective evidence of impairment in accordance with IAS 39, loss allowances are generally expected to be higher under IFRS 9 relative to IAS 39.



Changes in the required credit loss allowance, including the impact of movements between Stage 1 (12 month expected credit losses) and Stage 2 (lifetime expected credit losses), will be recorded in profit or loss. Because of the impact of moving between 12 month and lifetime expected credit losses and the application of forward looking information, provisions are expected to be more volatile under IFRS 9 than IAS 39.

Measurement

"The measurement of expected credit losses will primarily be based on the product of the instrument's probability of default (PD), loss given default (LGD), and exposure at default (EAD), discounted to the reporting date. The main difference between Stage 1 and Stage 2 expected credit losses is the respective PD horizon. Stage 1 estimates will use a maximum of a 12-month PD while Stage 2 estimates will use a lifetime PD.

Stage 3 estimates will continue to leverage existing processes for estimating losses on impaired loans, however, these processes will be updated to reflect the requirements of IFRS 9, including the requirement to consider multiple forward-looking scenarios. The Group will combine the regulatory prudential guidelines with other relevant qualitative factors in the ""definition of default

An expected credit loss estimate will be produced for each individual exposure, including amounts which are subject to a more simplified model for estimating expected credit losses; however the relevant parameters will be modeled on a collective basis using largely the same underlying data pool supporting our stress testing and regulatory capital expected loss processes. Models have been developed, primarily leveraging our existing models for enterprise-wide stress testing. For the small percentage of our portfolios that lack detailed historical information and/or loss experience, we will apply simplified measurement approaches that may differ from what is described above. These approaches have been designed to maximize the available information that is reliable and supportable for each portfolio and may be collective in nature.

Expected credit losses must be discounted to the reporting period using the effective interest rate.

Significant increase in credit risk (SICR)

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

Quantitative criteria:

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

Deterioration in the credit rating of an obligor either based on the Bank's internal rating system or an international credit rating. However the downgrade considers movement from a grade band to another e.g. Investment grade to Standard.

The Bank also considers accounts that meet the criteria to be put on the watchlist bucket to have significantly increased in credit risk.

Qualitative criteria:

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

For Corporate portfolio, if the borrower is on the Watchlist and/or the instrument meets one or more of the following criteria:

- Significant increase in credit spread
- Significant adverse changes in business, financial and/or economic conditions in which the borrower operates
- Actual or expected forbearance or restructuring
- Actual or expected significant adverse change in operating results of the borrower
- Significant change in collateral value (secured facilities only) which is expected to increase risk of default
- Early signs of cashflow/liquidity problems such as delay in servicing of trade creditors/loans



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

Backstop

A backstop indicator 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 and 90 days past due on its contractual payments for both stage 2 and stage 3 respectively.

Definition of default and credit-impaired assets

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

Quantitative criteria

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

Qualitative criteria

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

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

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

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 example, for a revolving commitment, the Group includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.
- Loss Given Default represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The Lifetime PD is developed by applying a maturity profile to the current 12M PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile



is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

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

- For amortising products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12-month or lifetime basis. This will also be adjusted for any expected overpayments made by a borrower. Early repayment/refinance assumptions are also incorporated into the calculation.
- For revolving products, the exposure at default is predicted by taking current drawn balance and adding a credit conversion factor which allows for the expected drawdown of the remaining limit by the time of default. These assumptions vary by product type and current limit utilisation band, based on analysis of the Group's recent default data.

The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type.

- For secured products, this is primarily based on collateral type and projected collateral values, historical discounts to market/book values due to forced sales, time to repossession and recovery costs observed.
- For unsecured products, LGD's are typically set at product level due to the limitation in recoveries achieved across different across different borrower. These LGD's are influenced by collection strategies, including contracted debt sales and price.

Incorporation of forward looking information and multiple economic scenarios

The Bank is required to incorporate forward-looking macroeconomic information into its assessment of expected credit loss Parameters. The macroeconomic indices were projected for three possible scenarios being; best estimate, optimistic and downturn forecasts. The macroeconomic variables considered for the adjustment of the probabilities of default are listed below:

- Crude oil prices,
- Inflation,
- Interest rates,
- Exchange rates (USD/NGN), and
- Monetary Policy rate

In line with the aforementioned IFRS 9 requirements, the Bank has adjusted its probabilities of default with the above-listed macroeconomic variables. By stressing the macroeconomic indicators, the Bank was able to estimate ECLs for the different economic scenarios. Probability weights were assigned to these scenarios to arrive at the weighted average expected credit losses

Impact assessments have done to estimate the adjustments required and impact on capital upon adoption. Based on the assessments that been carried out, the following estimated adjustments on the opening balance of the Bank's equity at 1 January 2018 is between N40 billion and N45 billion. However, the impact on equity will be compensated for by reduction in Regulatory Risk Reserve.



This assessment is preliminary because not all transition work has been completed as at the time of this report. The actual impact of adopting IFRS 9 on 1 January 2018 could change due to:

- Parallel runs have been done. However, the new systems and controls are still subject to improvement;
- testing and assessment of controls over its new IT systems and changes to its governance framework are still being carried out;
- the accounting policies, assumptions, judgements and statistical models employed are subject to change until the Group completes its first financial statements at the date of initial application.

The ECL could change within the range of +/- 10% from the estimates provided in this initial assessment.

Governance

As part of the implementation of IFRS 9, we have designed and implemented new controls and governance procedures in several areas that contribute to the calculation of expected credit losses. These include controls over credit risk data and systems, expected credit loss models and calculation model, forecasts of future macroeconomic variables, design and probability-weighting of future macroeconomic scenarios, and the determination of significant increases in credit risk. Internal Audit Unit is responsible for the ongoing monitoring of the models. The Board through 2 of its standing committees (Board Audit Committee and Board Credit Committee) have overall oversight over the IFRS 9 project for the Group.

IFRS 16 Leases (effective 1 January 2019)

IFRS 16 Leases ("IFRS 16") eliminates the classification of leases as either operating leases or finance leases for a lessee, and instead introduces a single lessee accounting model. Applying that model, a lessee is required to recognise: (a) assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value; and (b) depreciation of lease assets separately from interest on lease liabilities in the statement of comprehensive income. The requirements relating to the definition of a lease have been changed from those included in IAS 17. Guidance is provided on how to determine short term leases as well as leases of low-value assets. The accounting requirements for lessors have largely remained unchanged. New disclosures regarding leases are also introduced. The effective date of IFRS 16 is 1 January 2019, with an allowance for early adoption, provided the entity applies IFRS 15 Revenue from Contracts with Customers at the same time. The group is in the process of assessing the impact. However, from preliminary assessment, the application of this standard is not expected to result in material impact in the Group.

IFRS 15 – Revenue from contracts with customers. (with effective date of 1 January 2018)

The FASB and IASB issued their long awaited converged standard on revenue recognition on 29 May 2014. The Standard outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers to improve comparability within industries, across industries, and across capital markets with the exemption of interest income. The revenue standard contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The group is in the process of assessing the impact. From preliminary assessment, the application of this standard is not expected to result in material impact in the Group as revenue from financial instrument is out of scope of the standard. As part of the going assessment, the Group is currently reviewing contracts with customers that may fall within the scope of IFRS 15 to determine the extent to which fees and commission income will be affected by the implement of the standard.

Amendments to IFRS 2 – Share-based Payment (with effective date of 1 January 2018)

The International Accounting Standards Board (IASB) has published final amendments to IFRS 2 'Share-based Payment' on 20 December 2017 that clarify the classification and measurement of share-based payment transactions which contains the following: (a) accounting for cash-settled share-based payment transactions that include a performance condition; (b) classification of share-based payment transactions with net settlement features; and (c) the accounting for modifications of share-based payment transactions from cash-settled to equity-settled. Based on the assessment performed by the Group, this amendment will have no impact on the Group as the Group operates an equity settled share based payment scheme.



3.3 Basis of consolidation

(a) Subsidiaries

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

Control is achieved when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity:

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

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

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

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

The subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Subsidiaries are measured at cost less impairment in the separate financial statement.

(b) Business combinations

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

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

The Group measures goodwill at the acquisition date as the total of:

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

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

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

Transactions costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in the income statement.

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



awards and the extent to which the replacement awards relate to past and/or future service.

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

(c) Loss of control

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

(d) Disposal of subsidiaries

"When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the income statement.

The gain/loss arising from disposal of subsidiaries is included in the profit/loss of discontinued operations in the statement of comprehensive income, if the disposal subsidiary meets the criteria specified in IFRS 5. Foreign currency translation differences become realised when the related subsidiary is disposed.

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

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

(f) Transactions eliminated on consolidation

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from intercompany transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

3.4 Segment reporting

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

3.5 Foreign currency translation

(a) Functional and presentation currency

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

The Group in the normal course of business sets up Structured Entries (SEs) for the sole purpose of raising finance in foreign jurisdictions. The SEs raises finance in the currency of their jurisdictions and passes the pro-



ceeds to the group entity that set them up. All costs and interest on the borrowing are borne by the sponsoring group entity. These SEs are deemed to be extensions of the sponsoring entity, and hence, their functional currency is the same as that of the sponsoring entity.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in the income statement, and other changes in carrying amount are recognised in other comprehensive income.

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

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- [i] assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- [ii] income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- [iii] all resulting exchange differences are recognised in other comprehensive income.

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

3.6 Operating income

(a) Interest income and expense

Interest income and expense for all interest-bearing financial instruments are recognised within "interest income" and "interest expense" in the consolidated income statement using the effective interest method.

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

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



Interest income and expense presented in the statement of comprehensive income include:

- interest on financial assets and financial liabilities measured at amortised cost calculated on an effective interest rate basis.
- interest on available-for-sale investment securities calculated on an effective interest basis

(b) Fees and commission

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

When a loan commitment is not expected to result in the draw-down of a loan, loan commitment fees are recognised on a straight-line basis over the commitment year.

Fee and commission presented in the income statement includes:

- Credit related fees and commission: These fees are not integral to the loans and are therefore not included in the EIR calculation. These are recognised as the related services are performed. When a loan commitment is not expected to result in the draw-down of a loan, loan commitment fees are recognised on a straight-line basis over the commitment year.
- Current account maintenance fees (formerly Commission on Turnover): This fee is charged as N1 on every N1,000 in respect of all customer induced debit transactions. This fee is recognised one-off by the bank.
- Other fees and commission income, includes card related commissions, commission on letters of credit, account servicing fees, investment management and other fiduciary activity fees, sales commission, placement fees and syndication fees. These fees and commissions are recognised as the related services are performed

(c) Net loss/gains on investment securities

Net loss/gains on investment securities comprise of the following:

- Net gains/losses on financial instruments classified as held for trading: This includes the gains and losses arising both on the purchase and sale of trading instruments and from changes in fair value of derivatives instruments.
- Net gains on financial instruments held as available for sale: This relates to gains arising from the disposal of financial instruments held as available for sale as well as fair value changes reclassified from other comprehensive income upon disposal.

(d) Foreign exchange income

Foreign exchange income includes foreign exchange gains on revaluation and unrealised foreign exchange gains on revaluation.

(e) Other operating income

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

- Dividend on available for sale equity securities: This is recognised when the right to receive payment is established. Dividends are reflected as a component of other operating income.

3.7 Lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each year during the lease term so as to produce a constant yearic rate of interest on the remaining balance of the liability. Contingent lease payments



shall be charged as expenses in the periods in which they are incurred.

3.8 Income tax

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

(a) Current tax

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

(b) Deferred tax

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

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

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

3.9 Financial assets and liabilities

In accordance with IAS 39, all financial assets and liabilities (which include derivative financial instruments) have to be recognised in the consolidated statement of financial position and measured in accordance with their assigned category.

The table below reconciles classification of financial instruments to the respective IAS 39 category.



	"Category (as defined by IAS 39)"	Class (as determined by the Group)
	Financial assets	Financial assets at fair value through profit or loss
Derivative financial assets		
Loans and receivables		Cash and balances with banks
		Loans and advances to banks
		Loans and advances to customers
		Other assets
Held to maturity		Investment securities - debt securities (pledged and non pledged)
Available for sale financial assets		Investment securities - debt securities (pledged and non pledged)
		Investment securities - equity securities
		Investment under management
	Category (as defined by IAS 39)	Class (as determined by the Group)
Financial liabilities	Financial liabilities at fair value through profit or loss	Derivatives
	Financial liabilities at amortised cost	Deposits from banks
		Deposits from customers
		Interest bearing borrowings
		Debt securities issued
Other liabilities		

The purchases and sales of financial assets are accounted for in the Group's books at settlement date.

(a) Financial assets

The Group allocates financial assets to the following IAS 39 categories: financial assets at fair value through profit or loss; loans and receivables; held-to-maturity investments; and available-for-sale financial assets. Management determines the classification of its financial instruments at initial recognition.

[i] Financial assets at fair value through profit or loss

This category comprises two sub-categories: financial assets classified as held for trading and financial assets designated by the Group as at fair value through profit or loss upon initial recognition.

A financial asset is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term



profit-taking. Derivatives are also categorised as held for trading unless they are designated and effective as hedging instruments. Financial assets held for trading consist of debt instruments, including money-market paper, as well as financial assets with embedded derivatives. They are recognised in the consolidated statement of financial position as 'non-pledged trading assets'.

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

The Group designates certain financial assets upon initial recognition as at fair value through profit or loss (fair value option). This designation cannot subsequently be changed. According to IAS 39, the fair value option is only applied when the following conditions are met:

- The assets or liabilities are managed, evaluated and reported internally on a fair value basis.
- The designation eliminates or significantly reduces an accounting mismatch which would otherwise arise.
- The asset or liability contains an embedded derivative that significantly modifies the cash flows that would otherwise be required under the contract.

[ii] Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Group does not intend to sell immediately or in the near term.

Finance lease receivables are reported within loans and receivables where the Group is the lessor in a lease agreement. Such lease agreement transfers substantially all of the risks and rewards incidental to ownership of an asset to the lessee. The loans and receivables equal to the net investment in the lease is recognised and presented within loans and advances.

When the Group purchases a financial asset and simultaneously enters into an agreement to resell the asset (or a substantially similar asset) at a fixed price on a future date ("reverse repo or stock borrowing"), the arrangement is accounted for as a loan or advance, and the underlying asset is not recognised in the Group's financial statements.

Loans and receivables are initially recognised at fair value – which 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 – and measured subsequently at amortised cost using the effective interest rate method. Loans and receivables are reported in the consolidated statement of financial position as loans and advances to banks or customers or as investment securities. Interest on loans is included in the consolidated income statement and is reported as 'Interest income'. In the case of an impairment, the impairment loss is reported as a deduction from the carrying value of the loan and recognised in the consolidated income statement under "net impairment loss on financial assets"

[iii] Held-to-maturity

Held-to-maturity investments are non-derivative assets with fixed or determinable payments and fixed maturity that the Group has the positive intent and ability to hold to maturity, and which are not designated at fair value through profit or loss, loans and receivables or available-for-sale.

These are initially recognised at fair value including direct and incremental transaction costs and measured subsequently at amortised cost, using the effective interest method. Any sale or reclassification of a significant amount of held-to-maturity investments not close to their maturity would result in the reclassification of all held-to-maturity investments as available-for-sale, and prevent the Group from classifying investment securities as held-to-maturity for the current and the following two financial years. However, sales and reclassifications in any of the following circumstances would not trigger a



reclassification:

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

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

[iv] Available-for-sale

Available-for-sale investments are non-derivative investments that are not designated as another category of financial assets. Unquoted equity securities whose fair value cannot be reliably measured are carried at cost and subjected to impairment. All other available-for-sale investments are carried at fair value.

Interest income is recognised in the income statement using the effective interest method. Dividend income is recognised in the income statement when the Group becomes entitled to the dividend. Foreign exchange gains or losses on available-for-sale debt security investments are recognised in the income statement

Other fair value changes are recognised directly in other comprehensive income until the investment is sold or impaired whereupon the cumulative gains and losses previously recognised in other comprehensive income are recognised to the income statement as a reclassification adjustment. A non-derivative financial asset may be reclassified from the available-for-sale category to the loans and receivable category if it otherwise would have met the definition of loans and receivables and if the Group has the intention and ability to hold that financial asset for the foreseeable future or until maturity.

Available for sale instruments include investment securities.

[v] Investments under management

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

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

The investments are carried as available-for-sale and accounting policy (3.9) (a) [iv] applies."

(b) Financial liabilities

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

[i] Financial liabilities at amortised cost

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

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



deposit, and the underlying asset continues to be recognised in the Group's financial statements as pledged assets.

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

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

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

[ii] Financial liabilities at fair value

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

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

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

(c) De-recognition

[i] Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability in the statement of financial position. On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset transferred), and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in other comprehensive income is recognised in the income statement.

The Group enters into transactions whereby it transfers assets recognised on its financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised from the financial position. Transfers of assets with retention of all or substantially all risks and rewards include, for example, securities lending and repurchase transactions.

When assets are sold to a third party with a concurrent total rate of return swap on the transferred assets, the transaction is accounted for as a secured financing transaction similar to repurchase transactions as the Group retains all or substantially all the risks and rewards of ownership of such assets.

In transactions in which the Group neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset and it retains control over the asset, the group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed



to changes in the value of the transferred asset.

In certain transactions the Group retains the obligation to service the transferred financial asset for a fee. The transferred asset is derecognised if it meets the derecognition criteria. An asset or liability is recognised for the servicing contract, depending on whether the servicing fee is more than adequate (asset) or is less than adequate (liability) for performing the servicing.

Loans that are either subject to collective impairment assessment or individually significant and whose terms have been renegotiated are no longer considered to be past due but are treated as new loans. In subsequent years, the asset is considered to be past due and disclosed only if renegotiated again.

[ii] Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

(d) Offsetting

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

Income and expenses are presented on a net basis only when permitted under IFRSs, or for gains and losses arising from a group of similar transactions such as in the Group's trading activity. See note 5.1.4

(e) Sale and repurchase agreements

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

Securities lent to counterparties are also retained in the financial statements. Securities borrowed are not recognised in the financial statements, unless these are sold to third parties, in which case the purchase and sale are recorded with the gain or loss included in trading income.

(f) Measurement

[i] Amortised cost measurement

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

[ii] Fair value measurement

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

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

If a market for a financial instrument is not active, the Group establishes fair value using valuation techniques. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, and discounted cash flow analysis. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Group, incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic



methodologies for pricing financial instruments. Inputs to valuation techniques reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument. The Group calibrates valuation techniques and tests them for validity using prices from observable current market transactions in the same instrument or based on other available observable market data.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price – i.e. the fair value of the consideration given or received. However, in some cases, the fair value of a financial instrument on initial recognition may be different to its transaction price. If such fair value is evidenced by comparison with other observable current market transactions in the same instrument (without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets, then the difference is recognised in the income statement on initial recognition of the instrument. In other cases the difference is not recognised in the income statement immediately but is recognised over the life of the instrument on an appropriate basis or when the instrument is redeemed, transferred or sold, or the fair value becomes observable.

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

(g) Identification and measurement of impairment

At each reporting date the Group assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. Financial assets are impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset, and that the loss event has an impact on the future cash flows on the asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include significant financial difficulty of the obligor, default or delinquency by a borrower resulting in a breach of contract, restructuring of a loan or advance by the Group on terms that the Group would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, the disappearance of an active market for a security, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below cost is objective evidence of impairment.

[i] Loans and receivables

The Group considers evidence of impairment for loans and advances and held-to-maturity investments at both a specific and collective level. All individually significant loans and advances and held-to-maturity investment securities are assessed for specific impairment. All individually significant loans and advances and held-to-maturity investments found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and advances and held-to-maturity investment securities that are not individually significant are collectively assessed for impairment by grouping together loans and advances and held-to-maturity investment securities (held at amortised cost) with similar characteristics.

In assessing collective impairment the Group uses statistical modeling of historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical modeling. Default rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate.

Impairment losses on assets carried at amortised cost are measured as the difference between the carrying amount of the financial assets and the present value of estimated cash flows discounted at



the assets' original effective interest rate. Losses are recognised in the income statement and reflected in an allowance account against loans and advances. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the impairment loss is reversed through profit or loss.

[ii] Available for sale securities

Impairment losses on available-for-sale investment securities are recognised by transferring the cumulative loss that has been recognised in other comprehensive income to the income statement as a reclassification adjustment.

For debt securities, the group uses the criteria referred to in (i) above to assess impairment. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. For equity, a prolonged decline in the fair value of the security below its cost is also evidence that the asset is impaired. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement. If, in a subsequent year, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed through the income statement; otherwise, any increase in fair value is recognised through OCI. Any subsequent recovery in the fair value of an impaired available-for-sale equity security is always recognised in OCI.

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

(h) Cash and balances with banks

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

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

(i) Repossessed collateral

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

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

(j) Derivative financial instruments

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



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

(k) Reclassification of financial assets

The Bank may choose to reclassify a non-derivative financial asset held for trading out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near-term. Financial assets other than loans and receivables are permitted to be reclassified out of the held for trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near-term. In addition, the Bank may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if the Bank has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

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

(l) Pledged assets

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

Initial recognition of assets pledged as collateral is at fair value, whilst subsequent measurement is based on the classification of the financial asset. Assets pledged as collateral are either designated as held for trading, available for sale or held to maturity. Where the assets pledged as collateral are designated as held for trading, subsequent measurement is at fair value through profit and loss, whilst assets pledged as collateral designated as available for sale are measured at fair-value through equity. Assets pledged as collateral designated as held to maturity are measured at amortized cost.

3.10 Property and equipment

(a) Recognition and measurement

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

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

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

(b) Subsequent costs

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

(c) Depreciation

Depreciation is recognised in the income statement on a straight-line basis to write down the cost of items of property and equipment, to their residual values over the estimated useful lives. Leased assets under finance lease are depreciated over the shorter of the lease term and their useful lives.

Depreciation begins when an asset is available for use and ceases at the earlier of the date that the



asset is derecognised or classified as held for sale in accordance with IFRS 5. A non-current asset or disposal group is not depreciated while it is classified as held for sale.

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

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

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

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

(d) De-recognition

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

3.11 Intangible assets

(a) Goodwill

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

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

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

(b) Software

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



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

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

3.12 Leases

Leases are accounted for in accordance with IAS 17 and IFRIC 4. They are divided into finance leases and operating leases.

A group company is the lessee

(a) Operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including prepayments, made under operating leases (net of any incentives received from the lessor) are charged to operating expenses in the income statement on a straight-line basis over the year of the lease and used as investment property.

(b) Finance lease

Leases of assets where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in deposits from banks or deposits from customers depending on the counter party. The interest element of the finance cost is charged to the income statement over the lease year so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year.

A group company is the lessor

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

3.13 Impairment of non-financial assets

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

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

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of cash inflows of other assets or groups of assets (the "cash-generating unit" or CGU). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated



are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to the groups of CGUs that are expected to benefit from the synergies of the combination.

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

3.14 Discontinued operations

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

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

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

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

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

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

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

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

Investment property classified as non-current asset held for sale are measured at fair value, gain or loss arising from a change in the fair value of investment property is recognised in income statement for the year in which it arise."



3.16 Provisions

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

(a) Restructuring

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

3.17 Financial guarantees

Financial guarantees which includes Letters of credit are contracts that require the Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are initially recognised at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The guarantee liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment (when a payment under the guarantee has become probable).

Letters of credits which have been guaranteed by Access bank but funded by the customer is included in other liabilities while those guaranteed and funded by the Bank is included in Deposit from financial institutions.

3.18 Employee benefits

(a) Defined contribution plans

A defined contribution plan is a post employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement when they are due in respect of service rendered before the end of the reporting year. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the reporting year in which the employees render the service are discounted to their present value at the reporting date.

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

(b) Termination benefits

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

(c) Long-term Incentive Plan

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



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

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

(d) Short-term employee benefits

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

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

(e) Share-based payment remuneration scheme

The Group applies IFRS 2 Share Based Payments in accounting for employee remuneration in the form of shares.

Employee incentives include awards in the form of shares. The cost of the employee services received in respect of the shares or share granted is recognised in the income statement over the year that employees provide services, generally the year between the date the award is granted or notified and the vesting date of the shares. The overall cost of the award is calculated using the number of shares and options expected to vest and the fair value of the shares or options at the date of grant.

The number of shares expected to vest takes into account the likelihood that performance and service conditions included in the terms of the awards will be met. Failure to meet the non-vesting condition is treated as a forfeiture, resulting in an acceleration of recognition of the cost of the employee services.

The fair value of shares is the market price ruling on the grant date, in some cases adjusted to reflect restrictions on transferability.

3.19 Share capital and reserves

(a) Share issue costs

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

(b) Dividend on the Bank's ordinary shares

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

(c) Treasury shares

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



(d) Earnings per share

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

(e) Statutory credit reserve

In compliance with the Prudential Guidelines for Licensed Banks, the Group assesses qualifying financial assets using the guidance under the Prudential Guidelines. The guidelines apply objective and subjective criteria towards providing losses in risk assets. Assets are classified as performing or non-performing. Non performing assets are further classed as substandard, doubtful or lost with attendant provisions per the table below based on objective criteria

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

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

The results of the application of Prudential Guidelines and the impairment determined for these assets under IAS 39 are compared. The IAS 39 determined impairment charge is always included in the income statement

Where the Prudential Guidelines provision is greater, the difference is appropriated from retained earnings and included in a non - distributable 'Statutory credit reserve'. Where the IAS 39 impairment is greater, no appropriation is made and the amount of IAS 39 impairment is recognised in the income statement

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

3.20 Levies

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

4.0 Use of estimates and judgements

These disclosures supplement the commentary on financial risk management (see note 5). Estimates where management has applied judgements are:

- i. Allowances for credit losses
- ii. Valuation of financial instruments
- iii. Assessment of impairment of goodwill on acquired subsidiaries
- iv. Defined benefit plan"



Key source of estimation uncertainty

(i) Allowances for credit losses

Loans and advances to banks and customers are accounted for at amortised cost and are evaluated for impairment on a basis described in accounting policy (see not 3.9g (i))

The Bank reviews its loan portfolios to assess impairment at least on a half yearly basis. In determining whether an impairment loss should be recorded in the income statement, the Bank makes judgements as to whether there is any observable data indicating an impairment trigger followed by measurable decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers in a bank, or national or local economic conditions that correlate with defaults on assets in the Bank.

The Bank makes use of estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

The specific component of the total allowances for impairment applies to financial assets evaluated individually for impairment and is based upon management's best estimate of the present value of the cash flows that are expected to be received. In estimating these cash flows, management makes judgements about a debtor's financial situation and the net realisable value of any underlying collateral. Each impaired asset is assessed on its merits, and the workout strategy and estimate of cash flows considered recoverable are independently reviewed by the Credit Risk Management Department (CRMD).

A collective component of the total allowance is established for:

- Groups of homogeneous loans that are not considered individually significant and
- Groups of assets that are individually significant but were not found to be individually impaired

Collective allowance for groups of homogeneous loans is established using statistical modelling of historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical modelling. Default rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate.

Collective allowance for group of assets that are individually significant but that were not found to be individually impaired cover credit losses inherent in portfolios of loans and advances and held to maturity investment securities with similar credit characteristics when there is objective evidence to suggest that they contain impaired loans and advances and held to maturity investment securities, but the individual impaired items cannot yet be identified. In assessing the need for collective loan loss allowances, management considers factors such as credit quality, portfolio size, concentrations, and economic factors. In order to estimate the required allowance, assumptions are made to define the way inherent losses are modelled and to determine the required input parameters, based on historical experience and current economic conditions. The accuracy of the allowances depends on estimates of future cash flows for specific counterparty allowances and the model assumptions and parameters used in determining collective allowances are estimated.

Sensitivity of Exposure at default - Probability of Default (PD) & Loss Given Default (LGD)

Had there been a 20% reduction in expected cashflows from all the significantly impaired loans and customers rated ORR 5 facilities were impaired, there would have been an additional impairment of N14.8bn in the financial statements relating to this. In addition, if the PDs and LGDs were increased by 2%, impairment charge would have further increased by N716m but if the PDs and LGDs were decreased by 2%, there would have been a write back of impairment of N637m.



	Group December 2017	Group December 2016	Group December 2017	Group December 2016
	Loans and advances to individuals		Loans and advances to corporates	
Impact on Profit before tax				
20% reduction in expected cashflow from specifically impaired loans and All customers rated 5 are specifically impaired	(14,757,060)	(2,204,979)	(14,529,752)	(2,204,979)
Increase in LGD and PD by 2%	(727,376)	(21,795,115)	(716,172)	(21,129,199)
Decrease in LGDs and PD by 2%	647,444	20,940,405	637,471	20,288,377
Increase in LGDs and PD by 10%	(3,477,014)	(23,504,536)	(3,423,456)	(22,911,741)
Decrease in LGDs and PD by 10%	3,397,082	19,230,984	3,344,756	18,707,632

Statement of prudential adjustments

Provisions under prudential guidelines are determined using the time based provisioning regime prescribed by the Revised Central Bank of Nigeria (CBN) Prudential Guidelines. This is at variance with the incurred loss model required by IFRS under IAS 39. As a result of the differences in the methodology/provision regime, there will be variances in the impairments allowances required under the two methodologies.

Paragraph 12.4 of the revised Prudential Guidelines for Deposit Money Banks in Nigeria stipulates that Banks would be required to make provisions for loans as prescribed in the relevant IFRS Standards when IFRS is adopted. However, Banks would be required to comply with the following:

- a) Provisions for loans recognised in the profit and loss account should be determined based on the requirements of IFRS. However, the IFRS provision should be compared with provisions determined under prudential guidelines and the expected impact/changes in general reserves should be treated as follows:
 - Prudential Provisions is greater than IFRS provisions; the excess provision resulting should be transferred from the general reserve account to a "regulatory risk reserve".
 - Prudential Provisions is less than IFRS provisions; IFRS determined provision is charged to the statement of comprehensive income. The cumulative balance in the regulatory risk reserve is thereafter reversed to the general reserve account
- b) The non-distributable reserve should be classified under Tier 1 as part of the core capital. The Bank has complied with the requirements of the guidelines as follows:



Statement of prudential adjustments

In thousands of Naira

		December 2017	December 2016
Bank	Note		
Loans & advances:			
Specific impairment allowances on loans to customers			
• Loans to Individuals	23(b)	402,318	405,200
• Loans to Corporate	23(b)	35,614,441	9,679,116
Collective impairment allowances on loans to customers			
• Loans to Individuals	23(b)	645,740	1,039,812
• Loans to Corporates	23(b)	19,626,902	19,151,386
Collective impairment allowances on loans to banks	22	41,506	23,386
Total impairment allowances on loans per IFRS		56,330,907	30,298,900
Total regulatory impairment based on prudential guidelines		91,389,173	65,357,166
Balance, beginning of the year		35,058,266	37,826,382
Additional transfers to regulatory risk reserve		-	(2,768,116.16)
Balance, end of the year		35,058,266	35,058,266

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

4.1 Valuation of financial instruments

The table below analyses financial and non-financial instruments measured at fair value at the end of the financial year, by the level in the fair value hierarchy into which the fair value measurement is categorised:



4.1.1 Recurring fair value measurements

In thousands of Naira

Group

December 2017

	Level 1	Level 2	Level 3	Total
Assets				
Investment under management				
Government bonds	-	357,441	-	3,357,441
Placements	-	-	6,283,077	6,283,077
Commercial paper	-	6,992,904	-	6,992,904
Nigerian treasury bills	1,972,963	-	-	1,972,963
Mutual funds	-	2,664,746	-	2,664,746
Eurobonds	-	1,986,000	-	1,986,000
Non pledged trading assets				
Treasury bills	37,743,819	-	-	37,743,819
Bonds	9,031,525	19,369	-	9,050,894
Equity	59,348	-	-	59,348
Derivative financial instrument	-	93,419,293	-	93,419,293
Pledged assets				
Treasury bills	157,172,849	-	-	157,172,849
Bonds	30,748,762	-	-	30,748,762
Investment securities				
Available for sale				
Treasury bills	29,977,451	-	-	29,977,451
Bonds	35,684,865	18,394,503	-	54,079,368
Equity	1,147,387	8,760,176	59,673,535	69,581,098
Assets held for sale	-	-	9,479,967	9,479,967
	303,538,969	132,594,432	75,436,579	511,569,980
Liabilities				
Derivative financial instrument	-	5,332,177	-	5,332,177
	-	5,332,177	-	5,332,177

Group

December 2016

	Level 1	Level 2	Level 3	Total
Assets				
Investment under management				
Placements	-	-	1,070,385	1,070,385
Commercial paper	-	6,454,067	-	6,454,067
Nigerian treasury bills	2,887,102	-	-	2,887,102
Mutual funds	-	2,629,693	-	2,629,693
Eurobonds	-	1,830,000	-	1,830,000
Non pledged trading assets				
Treasury bills	34,381,635	-	-	34,381,635
Bonds	10,170,293	18,304	-	10,188,597
Equity	59,348	-	-	59,348
Derivative financial instrument	-	156,042,984	-	156,042,984
Pledged assets				
Treasury bills	188,239,520	-	-	188,239,520
Bonds	7,519,209	-	-	7,519,209
Investment securities				
Available for sale				
Treasury bills	69,346,601	-	-	69,346,601
Bonds	29,252,094	3,431,482	-	32,683,576
Equity	1,147,387	7,451,138	59,673,535	68,272,061
Assets held for sale	-	-	140,727	140,727
	343,000,189	177,857,668	60,884,647	581,742,503
Liabilities				
Derivative financial instrument	-	30,444,501	-	30,444,501
	-	30,444,501	-	30,444,501



Bank

December 2017

In thousands of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Investment under management				
Government bonds	-	357,441	-	357,441
Placements	-	-	6,283,077	6,283,077
Commercial paper	-	6,992,904	-	6,992,904
Nigerian treasury bills	1,972,963	-	-	1,972,963
Mutual funds	-	2,664,746	-	2,664,746
Eurobonds	-	1,986,000	-	1,986,000
Non pledged trading assets				
Treasury bills	33,906,748	-	-	33,906,748
Bonds	9,031,525	19,369	-	9,050,894
Equity	59,348	-	-	59,348
Pledged assets				
Treasury bills	157,172,849	-	-	157,172,849
Bonds	30,748,762	-	-	30,748,762
Derivative financial instrument	-	92,390,219	-	92,390,219
Investment securities				
Available for sale				
Treasury bills	9,598,737	-	-	9,598,737
Bonds	9,671,791	18,394,503	-	28,066,294
Equity	1,147,387	8,760,176	59,274,393	69,181,956
Asset held for sale	-	-	9,479,967	9,479,967
	253,310,110	131,565,358	75,037,437	459,912,902
Liabilities				
Derivative financial instrument	-	5,306,450	-	5,306,450
	-	5,306,450	-	5,306,450

Bank

December 2016

In thousands of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Investment under management				
Placements	-	6,454,067	1,070,385	7,524,452
Commercial paper	2,887,102	-	-	2,887,102
Nigerian treasury bills	-	2,629,693	-	2,629,693
Mutual funds	-	1,830,000	-	1,830,000
Eurobonds	-	-	-	-
Non pledged trading assets	34,381,635	-	-	34,381,635
Treasury bills	10,170,293	18,304	-	10,188,597
Bonds	59,348	-	-	59,348
Equity	-	-	-	-
Pledged assets	188,239,521	-	-	188,239,521
Treasury bills	7,516,209	-	-	7,516,209
Bonds	-	11,555,772,662	-	11,555,772,662
Derivative financial instrument				
Investment securities				
Available for sale	40,960,665	-	-	40,960,665
Treasury bills	18,025,037	3,431,282	-	21,456,519
Bonds	1,147,387	7,451,138	49,821,881	58,420,406
Equity	-	-	140,727	140,727
Asset held for sale	303,387,197	177,587,346	51,032,993.3	532,007,535
Liabilities				
Derivative financial instrument	-	30,275,181	-	30,275,181
	-	30,275,181	-	30,275,181

There were no transfers between levels 1 and 2 during the year.



4.1.2 Financial instruments not measured at fair value

Group

December 2017

In thousands of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	953,944,176	-	953,944,176
Loans and advances to banks	-	-	68,049,702	68,049,702
Loans and advances to customers	-	-	2,045,074,534	2,045,074,534
Pledged assets				
Treasury bills	89,821,710	-	-	89,821,710
Bonds	119,473,094	-	-	119,473,094
Investment securities				
Held to Maturity				
Treasury bills	5,384,788	81,818,577	-	87,203,365
Bonds	2,352,196	34,238,386	-	36,590,582
Other assets	-	-	46,799,196	46,799,196
	217,031,788	1,070,001,139	2,159,923,432	3,446,956,359
Liabilities				
Deposits from financial institutions				
Deposits from customers	-	-	450,196,970	450,196,970
Other liabilities	-	-	2,244,879,075	2,244,879,075
Debt securities issued	-	-	235,786,478	235,786,478
	220,217,410	70,331,371	-	290,548,781
Interest-bearing borrowings	-	-	311,349,297	311,349,297
	220,217,410	70,331,371	3,242,211,820	3,532,760,601

Group

December 2016

In thousands of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	714,858,231	-	714,858,231
Loans and advances to banks	-	-	45,847,527	45,847,527
Loans and advances to customers	-	-	1,771,419,816	1,771,419,816
Pledged assets				
Bonds	79,336,927	-	-	79,336,927
Investment securities				
Held to Maturity				
Treasury bills	27,347,558	-	-	27,347,558
Bonds	30,729,231	-	-	30,729,231
Other assets	-	-	41,796,068	41,796,068
	137,413,716	714,858,231	1,859,063,411	2,711,335,358
Liabilities				
Deposits from financial institutions	-	-	167,356,583	167,356,583
Deposits from customers	-	-	2,101,625,991	2,101,625,991
Other liabilities	-	-	111,117,648	111,117,648
Debt securities issued	170,399,997	142,415,186	-	312,815,183
Interest-bearing borrowings	-	-	303,178,641	303,178,641
	170,399,997	142,415,186	2,683,278,863	2,996,094,046



Bank
December 2017
In thousands of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	657,144,247	-	657,144,247
Loans and advances to banks	-	-	101,523,651	101,523,651
Loans and advances to customers	-	-	1,822,018,996	1,822,018,996
Pledged assets				
Treasury bills	89,821,710	-	-	89,821,710
Bonds	119,473,094	-	-	119,473,094
Investment securities				
Held to maturity				
Treasury bills	5,384,788	-	-	5,384,788
Bonds	2,352,196	6,161,050	-	8,513,246
Other Assets	-	-	34,517,514	34,517,514
	217,031,788	663,305,279	1,958,060,160	2,838,397,245
Liabilities				
Deposits from financial institutions	-	-	-	-
Deposits from customers	-	-	-	-
Other liabilities	-	-	223,963,436	223,963,436
Debt securities issued	220,217,410	70,331,371	-	290,548,781
Interest-bearing borrowings	-	-	288,902,461	288,902,461
	220,217,409	70,331,371	512,865,897	803,414,678

Bank
December 2016
In thousands of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	517,997,249	-	517,997,249
Loans and advances to banks	-	-	104,651,099	104,651,099
Loans and advances to customers	-	-	1,584,350,701	1,584,350,701
Pledged assets				
Bonds	79,336,927	-	-	79,336,927
Investment securities				
Held to maturity				
Bonds	30,729,231	-	-	30,729,231
Other Assets	-	-	33,265,072	33,265,072
	110,066,158	517,997,249	1,722,266,872	2,350,330,279
Liabilities				
Deposits from financial institutions	-	-	95,107,837	95,107,837
Deposits from customers	-	-	1,825,471,578	1,825,471,578
Other liabilities	-	-	105,287,724	105,287,724
Debt securities issued	170,399,997	56,810,072	-	227,210,069
Interest-bearing borrowings	-	-	448,970,379	448,970,379
	170,399,997	56,810,072	2,474,837,518	2,702,042,587



Financial instrument measured at fair value

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily government bonds, corporate bonds, treasury bills and equity investments classified as trading securities or available for sale investments.

(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market are determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. Specific valuation techniques used to value financial instruments include:

- i. Quoted market prices or dealer quotes for similar instruments;
- ii. The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value;
- iii. Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

(c) Financial instruments in level 3

The Group uses widely recognised valuation models for determining the fair value of its financial assets. Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which market observable prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

For more complex instruments, the Group uses proprietary valuation models, which are usually developed from recognised valuation models. Some or all of the significant inputs into these models may not be observable in the market, and are derived from market prices or rates or are estimated based on assumptions. Examples of instruments involving significant unobservable inputs include certain Investment securities for which there is no active market. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of the probability of counterparty default and prepayments and selection of appropriate discount rates. Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that the Group believes that a third party market participant would take them into account in pricing a transaction. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and the counterparty where appropriate.

For level 2 assets, fair value was obtained using a recent market transaction during the year under review. Fair values of unquoted debt securities were derived by interpolating prices of quoted debt securities with similar maturity profile and characteristics. There were no transfer between levels 1 and 2 during the year.



(ii) Determination of fair value of financial instruments.

Valuation techniques used to derive Level 2 fair values

Level 2 fair values of investments have been generally derived using the Market approach.

Below is a table showing sensitivity analysis of material unquoted investments categorised as Level 2 fair values.

Description	Fair value at 31 December 2017	Valuation Technique	Observable Inputs	Fair value if inputs increased by 5%	Fair value if inputs decreased by 5%	Relationship of unobservable inputs to fair value
Investment in MTN	8,760,176	Fair value through quoted share price as at last trade date.	“Share price from last trade date Number of units owned by Access bank”	9,198,185	8,322,167	The higher the share price as at the last trade date, the higher the fair value
Derivative financial assets	93,419,293	Forward and swap: Fair value through market rate from a quoted market Futures: Fair value through reference market rate	Market rates from quoted market	5,312,953	(5,312,953)	The higher the market rate, the higher the fair value of the derivative financial instrument
Derivative financial liabilities	5,332,177					

Valuation techniques used to derive Level 3 fair values

Level 3 fair values of investments have been generally derived using the adjusted fair value comparison approach. Quoted price per earning or price per book value, enterprise value to EBITDA ratios of comparable entities in a similar industry were obtained and adjusted for key factors to reflect estimated ratios of the investment being valued. Adjusting factors used are the Illiquidity Discount which assumes a reduced earning on a private entity in comparison to a publicly quoted entity and the Haircut adjustment which assumes a reduced earning for an entity located in Nigeria contributed by lower transaction levels in comparison to an entity in a developed or emerging market.

Description	Fair value at 31 December 2017	Valuation Technique	Observable Inputs	Fair value if inputs increased by 5%	Fair value if inputs decreased by 5%	Fair value if unobservable inputs increased by 5%	Fair value if unobservable inputs decreased by 5%	Relationship of unobservable inputs to fair value
Investment in Africa Finance Corporation	50,882,911	Adjusted fair value comparison approach	Average P/B multiples of comparable companies	53,427,057	48,338,765	53,427,057	48,338,765	The higher the illiquidity ratio and the earnings per share haircut adjustment the higher the fair value



Investment in Unified Payment System	3,130,451	Adjusted fair value comparison approach	Median of Enterprise value to EBITDA ratio (EV/ EBITDA) of similar comparable companies	3,286,974	2,973,929	3,246,824	3,014,079	The higher the illiquid-ity ratio and the earnings per share haircut adjustment the higher the fair value
Investment in CSCS	1,343,868	Adjusted fair value comparison approach	Median of Enterprise value to EBITDA ratio (EV/ EBITDA) of similar comparable companies	1,411,061	1,276,675	1,408,673	1,279,062	The higher the illiquid-ity ratio and the earnings per share haircut adjustment the higher the fair value
Investment in NIBSS	3,396,757	Adjusted fair value comparison approach	Weighted Price to earnings (P/E) ratio of similar comparable companies	3,566,595	3,226,919	3,566,595	3,226,919	The higher the illiquid-ity ratio and the earnings per share haircut adjustment the higher the fair value
Investment in Afrexim	14,984	Adjusted fair value comparison approach	Aver- age P/B multiples of comparable companies	15,733	14,235	15,733	14,235	The higher the illiquid-ity ratio and the earnings per share haircut adjustment the higher the fair value
Investment in FMDQ	130,610	Adjusted fair value comparison approach	Aver- age P/B multiples of comparable companies	137,141	124,080	137,141	124,080	The higher the illiquid-ity ratio and the earnings per share haircut adjustment the higher the fair value



Investment in CRC	281,626	Adjusted fair value comparison approach	Average P/B multiples of comparable companies	295,708	267,545	292,414	270,836	The higher the illiquid-ity ratio and the earnings per share haircut adjustment the higher the fair value
Nigerian Mortgage Refinance Company	93,186	Adjusted fair value comparison approach	Average P/B multiples of comparable companies	97,845	88,526	97,845	88,526	The higher the illiquid-ity ratio and the earnings per share haircut adjustment the higher the fair value

Reconciliation of Level 3 Items

The following tables presents the changes in Level 3 instruments for the year ended 31st December 2017

Equity Securities - Available for Sale	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Opening balance	50,069,031	37,159,966	49,821,881	35,516,671
Total unrealised gains or (losses) in OCI	5,111,787	15,449,958	5,107,631	15,449,958
Reclassification to profit or loss	-	(2,540,893)	-	(1,144,748)
Balance, year end	55,180,818	50,069,031	54,929,512	49,821,881
Assets Held for Sale	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Opening balance	-	179,843	140,727	179,843
Cost of asset added	9,369,240	-	9,369,240	-
Cost of Asset disposed	(30,000)	(39,116)	(30,000)	(39,116)
Balance, year end	9,339,240	140,727	9,479,967	140,727

Varying valuation techniques were applied in the valuation of assets classified as Level 3

Disclosure Requirements for Level 3 Financial Instruments

Valuation Technique Unquoted Equity:

The investment valuation policy (IVP) of the Group provides the framework for accounting for the Group's investment in unquoted equity securities, investment properties and assets held for sale while also providing a broad valuation guideline to be adopted in valuing them. Furthermore, the IVP details how the group decides its valuation policies and procedures and analysis changes in fair value measurements from year to year.

In accordance with IFRS 13 Fair Value Measurement, which outlines three approaches for valuing unquoted equity instruments; market approach, the income approach and the cost approach. The Group estimated the fair value of its invest-



ment in each of the unquoted equity securities at the end of the financial year using the Market approach.

The Adjusted fair value comparison approach of EV/EBITDA, P/E ratios and P/Bv ratios was adopted in valuing each of these equity investments taken into cognizance the suitability of the model to each equity investment and the availability of financial information while minimizing the use of unobservable data.

Description of Valuation Methodology and inputs:

The fair value of the other unquoted equity securities were derived using the Adjusted fair value comparison technique. Adjusted fair value comparison approach of EV/EBITDA, P/E ratios and P/B ratios are used as input data .

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

- Step 1:** Identify quoted companies with similar line of business ,structure and size
- Step 2:** Obtain the EV/EBITDA or the P/B or P/E ratios of these quoted companies identified from Bloomberg,Reuters or Nigeria Stock Exchange
- Step 3:** Derive the average or median of EV/EBITDA or the P/B or P/E ratios of these identified quoted companies
- Step 4:** Apply the lower of average (mean) or median of the identified quoted companies ratios on the EV/EBITDA or Book Value or Earnings of the investment company to get the value of the investment company
- Step 5:** Discount the derived value of the investment company by Illiquidity discount and EPS Haircut Adjustment to obtain the Adjusted Equity Value
- Step 6:** Multiply the Adjusted Equity value by the present exchange rate for foreign currency investment
- Step 7:** Compare the Adjusted Equity value with the carrying value of the investment company to arrive at a net gain or loss

a. Enterprise Value (EV):

Enterprise value measures the value of the ongoing operations of a company.It is calculated as the market capitalization plus debt, minority interest and preferred shares, minus total cash and cash equivalents of the company .

b. Earnings Before Interest ,Tax Depreciation and Tax (EBITDA):

EBITDA is earnings before interest, taxes, depreciation and amortization. EBITDA is one of the indicator's of a company's financial performance and is used as a proxy for the earning potential of a business.

$$\text{EBITDA} = \text{Operating Profit} + \text{Depreciation Expense} + \text{Amortization Expense}$$

c. Price to Book (P/B Ratio):

The price-to-book ratio (P/B Ratio) is used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest company book value per share or by dividing the company's market capitalization by the company's total book value from its balance sheet.

d. Price to Earning (P/E Ratio):

The price-earnings ratio (P/E Ratio) values a company using the current share price relative to its per-share earnings.

The sources of the observable inputs used for comparable technique were gotten from Reuters, Bloomberg and the Nigeria Stock Exchnage

Basis of valuation:

The assets is being valued on a fair open market value approach. This implies that the value is based on the conservative estimates of the reasonable price that can be obtained if and when the subject asset is offered for sale under the present market conditions.



Method of Valuation

The comparative method of valuation in the valuation of the asset. This method involves the analysis of recent transaction in such asset within the same asset type and the size of the subject asset after due allowance have been made for peculiar attributes of the various asset concerned.

The key elements of the control framework for the valuation of financial instruments include model validation and independent price verification. These functions are carried out by an appropriately skilled Finance team, independent of the business area responsible for the products. The result of the valuation are reviewed quarterly by senior management.

(iii) Assessment of impairment of goodwill on acquired subsidiaries

Goodwill on acquired subsidiaries was tested for impairment using discounted cash flow valuation method. Projected cash flows were discounted to present value using a discount rate of 19.50% (Dec. 2016: 19.5%) and a cash flow growth rate of 5.44% (Dec. 2016: 6.62%) over a year of four years. The Group determined the appropriate discount rate at the end of the year by making reference to 15 years bond which is the longest tenured in Rwanda. See note 29b for further details.

(iv) Defined benefit plan

The present value of the long term incentive plan depends on a number of factors that are determined in an actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of obligations. The assumptions used in determining the net cost (income) for pensions include the discount rate. The Group determines the appropriate discount rate at the end of the year. In determining the appropriate discount rate, reference is made to the yield on Nigerian Government Bonds that have maturity dates approximating the terms of the related pension liability. Other key assumptions for pension obligations are based in part on current market conditions. See note 37 for the sensitivity analysis.



4.3 Financial assets and liabilities Fair value measurement

Accounting classification measurement basis and fair values

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

Group	Trading	Held-to-maturity	Loans and receivables at amortized cost	Available-for-sale	Fair value through profit or loss	Financial liabilities measured at amortized cost	Total carrying amount	Fair value
In thousands of Naira 31 December 2017								
Cash and balances with banks	-	-	953,944,176	-	-	-	953,944,176	953,944,176
Investment under management	-	-	-	20,257,131	-	-	20,257,131	20,257,131
Non pledged trading assets								
Treasury bills	37,743,819	-	-	-	-	-	37,743,819	37,743,819
Bonds	9,050,894	-	-	-	-	-	9,050,894	9,050,894
Equity	59,348	-	-	-	-	-	59,348	59,348
Derivative financial instruments	-	-	-	-	93,419,293	-	93,419,293	93,419,293
Loans and advances to banks	-	-	68,114,076	-	-	-	68,114,076	101,523,651
Loans and advances to customers	-	-	1,995,987,627	-	-	-	1,995,987,627	2,045,074,534
Pledged assets								
Treasury bills	126,477,561	-	-	132,195,254	-	-	258,672,815	246,994,559
Bonds	68,554	161,264,920	-	27,108,115	-	-	188,441,589	150,221,856
Investment securities								
- Available for sale								
Treasury bills	-	-	-	29,977,451	-	-	29,977,451	29,977,451
Bonds	-	-	-	54,079,368	-	-	54,079,368	54,079,368
Equity	-	-	-	69,581,098	-	-	69,581,098	69,581,098
- Held to Maturity								
Treasury bills	-	88,203,365	-	-	-	-	88,203,365	87,203,365
Bonds	-	36,590,582	-	-	-	-	36,590,582	36,590,582
Other assets	-	-	46,799,196	-	-	-	46,799,196	46,799,196
	173,400,176	286,058,867	3,064,845,075	333,198,417	93,419,293	-	3,950,921,828	3,982,520,321
Deposits from financial institutions	-	-	-	-	-	450,196,970	450,196,970	450,196,970
Deposits from customers	-	-	-	-	-	2,244,879,075	2,244,879,075	2,244,879,075
Other liabilities	-	-	-	-	-	235,786,478	235,786,478	235,786,478
Derivative financial instruments	-	-	-	-	5,332,177	-	5,332,177	5,332,177
Debt securities issued	-	-	-	-	-	302,106,706	302,106,706	290,548,781
Interest bearing borrowings	-	-	-	-	-	311,617,187	311,617,187	311,349,297
	-	-	-	-	5,332,177	3,544,589,416	3,549,918,593	3,538,092,778



Group	Trading	Held-to-maturity	Loans and receivables at amortized cost	Fair value through profit or loss	Financial Liabilities measured at amortized cost	Total carrying amount	Fair value
In thousands of Naira							
31 December 2016							
Cash and balances with banks	-	-	713,889,105	-	-	713,889,105	714,858,231
Investment under management	-	-	-	14,871,247	-	14,871,247	14,871,247
Non pledged trading assets							
Treasury bills	34,381,635	-	-	-	-	34,381,635	34,381,635
Bonds	10,188,597	-	-	-	-	10,188,597	10,188,597
Equity	59,348	-	-	-	-	59,348	59,348
Derivative financial instruments	-	-	-	156,042,984	-	156,042,984	156,042,984
Loans and advances to banks	-	-	45,203,002	-	-	45,203,002	104,651,099
Loans and advances to customers	-	-	1,809,459,172	-	-	1,809,459,172	1,771,419,816
Pledged assets							
Treasury bills	105,841,302	-	-	82,398,218	-	188,239,520	188,239,520
Bonds	-	119,191,773	-	7,516,209	-	126,707,982	86,853,136
Investment securities							
- Available for sale							
Treasury bills	-	-	-	69,346,601	-	69,346,601	69,346,601
Bonds	-	-	-	32,648,488	-	32,648,488	32,683,577
Equity	-	-	-	58,667,555	-	58,667,555	58,667,555
- Held to Maturity							
Treasury bills	-	27,350,114	-	-	-	27,350,114	27,347,558
Bonds	-	41,101,014	-	-	-	41,101,014	30,729,231
Other assets	-	-	41,796,068	-	-	41,796,068	41,796,068
	150,470,882	187,642,901	2,610,347,347	265,448,319	156,042,984	3,369,952,432	3,342,136,203
Deposits from financial institutions	-	-	-	-	167,356,583	167,356,583	167,356,583
Deposits from customers	-	-	-	-	2,089,197,286	2,089,197,286	2,101,625,991
Other liabilities	-	-	-	-	111,117,648	111,117,648	111,117,648
Derivative financial instruments	-	-	-	30,444,501	-	30,444,501	30,444,501
Debt securities issued	-	-	-	-	316,544,502	316,544,502	312,815,183
Interest bearing borrowings	-	-	-	-	299,543,707	299,543,707	303,178,641
	-	-	-	30,444,501	2,983,759,726	3,014,204,227	3,026,538,547



Bank	Trading	Held-to-maturity	Loans and receivables at amortised cost	Fair value through profit or loss	Financial Liabilities measured at amortised cost	Total carrying amount	Fair value
In thousands of Naira							
31 December 2017							
Cash and balances with banks	-	-	657,144,247	-	-	657,144,247	657,144,247
Investment under management	-	-	-	20,257,131	-	20,257,131	20,257,131
Non pledged trading assets							
Treasury bills	33,906,748	-	-	-	-	33,906,748	33,906,748
Bonds	9,050,894	-	-	-	-	9,050,894	9,050,894
Equity	59,348	-	-	-	-	59,348	59,348
Derivative financial instruments	-	-	-	92,390,219	-	92,390,219	92,390,219
Loans and advances to banks	-	-	101,429,001	-	-	101,429,001	101,523,651
Loans and advances to customers	-	-	1,771,282,739	-	-	1,771,282,739	1,822,018,996
Pledged assets							
Treasury bills	141,319,214	94,888,889	-	15,853,635	-	252,061,738	246,994,559
Bonds	68,554	157,692,827	-	30,680,208	-	188,441,589	150,221,856
Investment securities							
Available for sale							
Treasury bills	-	-	-	9,598,737	-	9,598,737	9,598,737
Bonds	-	-	-	28,066,294	-	28,066,294	28,066,294
Equity	-	-	-	69,181,956	-	69,181,956	69,181,956
Held to maturity							
Treasury bills	-	5,837,568	-	-	-	5,837,568	5,384,788
Bonds	-	9,116,855	-	-	-	9,116,855	8,513,246
Other assets	-	-	34,517,514	-	-	34,517,514	34,517,514
	184,404,758	267,536,139	2,564,373,501	173,637,961	92,390,219	3,282,342,578	3,288,830,183
Deposits from financial institutions	-	-	-	-	276,140,835	276,140,835	-
Deposits from customers	-	-	-	-	1,910,773,713	1,910,773,713	-
Derivative financial instruments	-	-	-	5,306,450	-	5,306,450	5,306,450
Other liabilities	-	-	-	-	223,963,436	223,963,436	223,963,436
Debt securities issued	-	-	-	-	302,106,706	302,106,706	290,548,781
Interest bearing borrowings	-	-	-	-	282,291,141	282,291,141	288,902,461
	-	-	-	5,306,450	2,995,275,831	3,000,582,281	808,721,128



Bank In thousands of Naira 31 December 2016	Trading		Held-to-maturity		Loans and receivables at amortised cost		Available-for-sale		Fair value through profit or loss		Financial liabilities measured at amortised cost		Total carrying amount		Fair value	
Cash and balances with banks	-	-	-	-	517,997,249	-	-	-	-	-	-	-	-	517,997,249	-	517,997,249
Investment under management	-	-	-	-	-	-	14,871,247	-	-	-	-	-	-	14,871,247	-	14,871,247
Non pledged trading assets																
Treasury bills	34,381,635	-	-	-	-	-	-	-	-	-	-	-	-	34,381,635	-	34,381,635
Bonds	10,188,597	-	-	-	-	-	-	-	-	-	-	-	-	10,188,597	-	10,188,597
Equity	59,348	-	-	-	-	-	-	-	-	-	-	-	59,348	-	59,348	
Derivative financial instruments	-	-	-	-	-	-	-	-	155,772,662	-	-	-	-	155,772,662	-	155,772,662
Loans and advances to banks	-	-	-	-	104,006,574	-	-	-	-	-	-	-	-	104,006,574	-	104,651,099
Loans and advances to customers	-	-	-	-	1,594,562,345	-	-	-	-	-	-	-	-	1,594,562,345	-	1,584,350,701
Pledged assets																
Treasury bills	105,841,302	-	-	-	-	-	82,398,218	-	-	-	-	-	-	188,239,520	-	188,239,521
Bonds	-	-	-	-	-	119,191,773	7,516,209	-	-	-	-	-	-	126,707,982	-	86,853,136
Investment securities																
Available for sale																
Treasury bills	-	-	-	-	-	-	40,960,665	-	-	-	-	-	-	40,960,665	-	40,960,665
Bonds	-	-	-	-	-	-	21,456,519	-	-	-	-	-	-	21,456,519	-	21,456,519
Equity	-	-	-	-	-	-	58,420,406	-	-	-	-	-	-	58,420,406	-	58,420,406
Held to maturity																
Treasury bills	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonds	-	-	-	-	40,363,051	-	-	-	-	-	-	-	-	40,363,051	-	30,729,231
Other assets	-	-	-	-	33,265,072	-	-	-	-	-	-	-	-	33,265,072	-	33,265,072
	150,470,882	159,554,824	2,249,831,241	225,623,265	155,772,662	2,941,252,872	2,882,197,087	2,659,860,168	2,659,426,899	2,659,860,168	2,659,426,899	2,659,860,168	2,659,426,899	2,659,860,168	2,659,426,899	2,659,426,899
Deposits from financial institutions	-	-	-	-	-	-	-	-	-	-	-	95,122,188	-	95,122,188	-	95,107,837
Deposits from customers	-	-	-	-	-	-	-	-	-	-	-	1,813,042,872	-	1,813,042,872	-	1,825,471,578
Derivative financial instruments	-	-	-	-	-	-	-	-	30,275,181	-	-	-	-	30,275,181	-	30,275,181
Other liabilities	-	-	-	-	-	-	-	-	-	-	-	105,287,724	-	105,287,724	-	105,287,724
Debt securities issued	-	-	-	-	-	-	-	-	-	-	-	243,952,418	-	243,952,418	-	227,210,069
Interest bearing borrowings	-	-	-	-	-	-	-	-	-	-	-	372,179,785	-	372,179,785	-	376,074,510
	-	-	-	-	-	-	-	-	30,275,181	2,629,584,987	2,659,860,168	2,659,860,168	2,659,426,899	2,659,860,168	2,659,426,899	2,659,426,899



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

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

(i) Cash

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

(ii) Loans and advances to banks and customers

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

(iii) Investment securities and pledges assets

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

The fair value disclosed in the table above comprises equity securities held at cost less impairment and debt instruments. The fair value for these assets is based on estimations using market prices and earning multiples of quoted securities with similar characteristics.

(iv) Other assets

The bulk of these financial assets have short maturities with their amounts of financial assets in is a reasonable approximation of fair value.

(v) Deposits from banks and customers

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

(vi) Other liabilities

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

(vii) Interest bearing borrowings

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



CREDIT RISK MANAGEMENT

Credit risk arises from the failure of an obligor of the Bank to repay principal or interest at the stipulated time or failure otherwise to perform as agreed. This risk is compounded if the assigned collateral only partly covers the claims made to the borrower, or if its valuation is exposed to frequent changes due to changing market conditions (i.e. market risk).

The Bank's Risk Management philosophy is that a moderate and guarded risk attitude will ensure sustainable growth in shareholder value and reputation. Extension of credit in Access Bank is guided by its Credit Risk and Portfolio Management Plan, which sets out specific rules for risk origination and management of the loan portfolio. The Plan also sets out the roles and responsibilities of different individuals and committees involved in the credit process.

We recognise the fact that our main asset is our loan portfolio. Therefore, we actively safeguard and strive to continually improve the health of our loan portfolio. We scrutinize all applications and weed out potential problematic loans during the loan application phase, as well as constantly monitor the existing loan portfolio.

The goal of the Bank is to apply sophisticated but realistic credit models and systems to monitor and manage credit risk. Ultimately these credit models and systems are the foundation for the application of internal rating-based approach to calculation of capital requirements. The development, implementation and application of these models are guided by the Bank's Basel II strategy.

The pricing of each credit granted reflects the level of risks inherent in the credit. Subject to competitive forces, Access Bank implements a consistent pricing model for loans to its different target markets. The client's interest is guarded at all times, and collateral quality is never the sole reason for a positive credit decision.

Provisions for credit losses meet IFRS and prudential guidelines set forth by the Central Bank of the countries where we operate, both for loans for which specific provisions exist as well as for the portfolio of performing loans. Access Bank's credit process requires rigorous proactive and periodic review of the quality of the loan portfolio. This helps us to proactively identify and remediate credit issues.

The Criticized Assets Committee performs a quarterly review of loans with emerging signs of weakness; the Management Credit Committee and the Board Credit and Finance Committee also review the quality of our loan portfolio on a quarterly basis. These are in addition to daily reviews performed by the various Heads of Risk within the

Credit Risk Management Groups.

PRINCIPAL CREDIT POLICIES

The following are the principal credit policies of the Bank:

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

Credit Risk Mitigant Management Policy: The objective is to aid effective credit portfolio management through mitigation of credit risks by using credit risk mitigation techniques.

Credit Risk Rating Policy: The objective of this policy is to ensure reliable and consistent Obligor Risk Ratings (ORRs) and Facility Risk Ratings (FRRs) and to provide guidelines for risk rating for retail and non-retail exposures in the banking book covering credit and investment books of the Bank.

Country and Cross Border Risk Management Policy: The objective of this policy is to establish a consistent framework for the identification, measurement and management of country risk across the Bank.

Internal Capital Adequacy Assessment Process (ICAAP) Policy: The objectives of the policy are identification of material risks, measurement of material risks, monitoring and control of material risks and reporting of material risks.

Enterprise-wide Risk Management Policy: The core objective is to provide a reasonable degree of assurance to the Board of Directors that the risks threatening the Bank's achievement of its vision are identified, measured, monitored and controlled through an effective integrated risk management system covering credit, market, operational, interest rate, liquidity and other material risks.

RESPONSIBILITIES OF BUSINESS UNITS AND INDEPENDENT CREDIT RISK MANAGEMENT

In Access Bank, Business Units and independent credit risk management have a joint responsibility for the overall accuracy of risk ratings assigned to obligors and facilities. Business Relationship Managers will be responsible for deriving the Obligor Risk Rating ('ORR') and Facility Risk Rating ('FRR') using approved methodologies, however independent credit risk management will validate such ratings.



Notwithstanding who derives the risk rating, Credit Risk Management is responsible for reviewing and ensuring the correctness of the ORR and FRR assigned to a borrower and facilities. This review includes ensuring the ongoing consistency of the business' Risk Rating Process with the Bank's Risk Rating Policy; ongoing appropriate application of the risk rating process and tools; review of judgmental and qualitative inputs into the risk rating process; ensuring the timeliness and thoroughness of risk rating reviews; and ensuring that the documentation of the risk rating process is complete and current.

Credit Risk Management has the final authority if there is a question about a specific rating.

CREDIT PROCESS

The Bank's credit process starts with portfolio planning and target market identification. Within identified target markets, credits are initiated by relationship managers. The proposed credits are subjected to review and approvals by applicable credit approval authorities. Further to appropriate approvals, loans are disbursed to beneficiaries.

On-going management of loans is undertaken by both relationship management teams and our Credit Risk Management Group. The process is applied at the Head Office and in the subsidiaries.

If a preliminary analysis of a loan request by the account manager indicates that it merits further scrutiny, it is then analyzed in greater detail by the account manager, with further detailed review by Credit Risk Management. The concurrence of Credit Risk Management must be obtained for any credit extension. If the loan application passes the detailed analysis it is then submitted to the appropriate approval authority for the size and risk rating of facilities

The standard credit evaluation process is based both on quantitative figures from the Financial Statements and on an array of qualitative factors. Factual information on the borrower is collected as well as pertinent macroeconomic data, such as an outlook for the relevant sector. These subjective factors are assessed by the analyst and all individuals involved in the credit approval process, relying not only on quantitative factors but also on extensive knowledge of the company in question and its management.

CREDIT RISK MEASUREMENT

Risk Rating Methodology

The credit rating of the counterparty plays a fundamental role in final credit decisions as well as in the terms offered for successful loan applications. Access Bank employs a robust credit rating system based on international best practices (including Basel II recommendations) in the determination of the Obligor and Facility risks and thus allows the

Bank to maintain its asset quality at a desired level.

In Access Bank, the objective of the Risk Rating Policy is to ensure reliable and consistent Obligor Risk Ratings ('ORRs') and Facility Risk Ratings ('FRRs') throughout the Bank and to provide guidelines for risk rating for retail and non – retail exposures in the Bank.

The Risk Rating Policy incorporates credit risk rating models which estimate risk of obligor default and facility risks (covering both recovery as well as exposure risk). These models are currently based on expert judgment for retail and non-retail exposures. Our goal is to adopt the Internal Rating Based ("IRB") approach. The data required to facilitate the IRB approach is being gathered.

All Access Bank businesses that extend credit are subject to the Risk Rating Policy.

CREDIT RISK RATING MODELS IN ACCESS BANK PLC

The following are the credit risk rating models deployed by the Bank.

For Retail Exposures:

Obligor Risk Rating (ORR) Models have been developed for:

1. Personal Loans
2. Credit Cards
3. Auto Loans
4. Mortgage Loans

Facility Risk Rating (FRR) Models have been developed for:

1. Loss Given Default (LGD)
2. Exposure at Default (EAD)

For Non – Retail Exposures:

Obligor Risk Rating (ORR) Models have been developed for:

1. Sovereign (approach to rating sovereign exposures using external ratings)
2. Bank and Non-Bank Financial Institutions
3. Corporate
 - Manufacturing Sector
 - Trading Sector
 - Services Sector
 - Real Estate Sector
4. Small and Medium Enterprises (SME) without Financials

Facility Risk Rating (FRR) Models have been developed for

1. Loss Given Default (LGD)
2. Exposure at Default (EAD)



RISK RATING PROCESS

In Access Bank, all businesses must have a documented and approved risk rating process for deriving risk ratings for all obligors and facilities (including those covered under Credit Programs). The Risk Rating Process is the end-to-end process for deriving ORRs and FRRs and includes models, guidelines, support adjustments, collateral adjustments, process controls, as well as other defined processes that a business undertakes in order to arrive at ORRs and FRRs. Risk rating process of each business must be in compliance with the Bank's Risk Rating Policy and deviations must be explicitly approved.

Establishing the risk rating process is the joint responsibility of the Business Manager and the Credit Risk Manager associated with each business. The process must be documented and must be approved by the Management Credit Committee.

The risk rating process for each business must be reviewed and approved every three years, unless more frequent review is specified as a condition of the approvals. Interim material changes to the risk rating process, as determined by the Credit Risk Manager for the business, must be re-approved.

Risk Rating Scale and external rating equivalent

Access Bank operates a 12-grade numeric risk rating scale.

The risk rating scale runs from 1 to 8. Rating 1 represents the best obligors and facilities and rating 8 represents the worst obligors and facilities. The risk rating scale incorporates sub-grades and full grades reflective of realistic credit migration patterns.

The risk rating scale and the external rating equivalent is detailed below:

Access Bank Risk Rating	External Rating	Grade
1	AAA	Investment Grade
2+	AA	
2	A	Standard Grade
2-	BBB	
3+	BB+	
3	BB	Non-Investment Grade
3-	BB-	
4	B	
5	B-	
6	CCC	
7	C	
8	D	

CREDIT RISK CONTROL & MITIGATION POLICY

AUTHORITY LIMITS ON CREDIT

The highest credit approval authority is the Board of Directors, supported by the Board Credit and Finance Committee and followed by the Management Credit Committee. Individuals are also assigned credit approval authorities in line with the Bank's criteria for such delegation set out in its Credit Risk and Portfolio Management Plan. The principle of central management of risk and decision authority is maintained by the Bank. The maximum amount of credit that may be approved at each subsidiary is limited, with amounts above such limit being approved at the Head Office.

Potential credit losses from any given account, customer or portfolio are mitigated using a range of tools such as collateral, credit insurance, credit derivatives and other guarantees. The reliance that can be placed on these mitigants is carefully assessed in light of issues such as legal certainty and enforceability, market valuation correlation and counterparty risk of the guarantor.

Where appropriate, credit derivatives are used to reduce credit risks in the portfolio. Due to their potential impact on

income volatility, such derivatives are used in a controlled manner with reference to their expected volatility.

Collateral is held to mitigate credit risk exposures and risk mitigation policies determine the eligibility of collateral types. This structure gives Access Bank the opportunity to incorporate much needed local expertise, but at the same time manage risk on a global level. Local Credit Committees of the Bank's subsidiaries are thus able to grant credits, but the sum total of the exposure of the applicant and financially related counterparties is limited, most commonly by the subsidiary's capital. All applications that would lead to exposures exceeding the set limit are referred to the appropriate approval authority in the Head Office.

The credit approval limits of the principal officers of the Group are shown in the table below

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



APPROVING AUTHORITY	APPROVED LIMIT (NEW CREDITS) (NGN)	APPROVED LIMIT (RENEWALS OF EXISTING CREDITS) (NGN)
Executive Director	150 million	200 million
Group Deputy Managing Director	400 million	500 million
Group Managing Director/CEO	500 million	600 million
Managing Directors of Bank Subsidiaries	See Below:	
COUNTRY	APPROVAL LIMIT (NGN)	
Ghana	65 million	
Rwanda	20 million	

Access Bank Risk Rating	Standard & Poors Long term equivalent	Exposure Limit (ORR-based LLL) for New credits (NGN)	Management Credit Committee Approval Limit (NGN)	Board Credit & Finance Committee Approval Limit (NGN)	Board of Directors Limit
1	AAA	41 billion	20 billion	40 billion	Legal lending limit
2+	AA	33 billion	15 billion	30 billion	
2	A	25 billion	5 billion	15 billion	
2-	BBB	16 billion	2 billion	10 billion	
3+	BB+	3 billion	1 billion	10 billion	
3	BB	1.7 billion	0.8 billion	10 billion	
3-	BB-	.8 billion	0.5 billion	2 billion	
4	B		Above 0.1 billion		
5	B-				

COLLATERAL POLICIES

It is the Group's policy that all credit exposures are adequately collateralised. Credit risk mitigation is an activity of reducing credit risk in an exposure or transferring it to counterparty, at facility level, by a safety net of tangible and realizable securities including approved third-party guarantees/ insurance.

In Access Bank, strategies for risk reduction at the transaction level differ from that at the portfolio level. At transaction level, the most common technique used by the Bank is the collateralization of the exposures, by first priority claims or obtaining a third party guarantee. For all credit risk mitigants that meet the policy criteria, a clear set of procedures are applied to ensure that the value of the underlying collateral is appropriately recorded and updated regularly.

Collateral types that are eligible for risk mitigation include: cash; residential, commercial and industrial property; moveable assets such as motor vehicles, aircraft, plant and machinery; marketable securities; commodities; bank guarantees and letters of credit.

Other techniques include buying a credit derivative to offset credit risk at transaction level. At portfolio level, asset

securitisation, credit derivatives etc. are used to mitigate risks in the portfolio.

However the primary consideration for approving credits is hinged largely on the obligor's financial strength and debt-servicing capacity. The guidelines relating to risk mitigant as incorporated in the guidance note of Basel Committee on Banking Supervision ("BCBS") on "Principles for the Management of Credit Risk" (September 2000, Paragraph 34) are to be taken into consideration while using a credit risk mitigant to control credit risk.

The Bank can utilize transaction structure, collateral and guarantees to help mitigate risks (both identified and inherent) in individual credits but transactions should be entered into primarily on the strength of the borrower's repayment capacity. Collateral cannot be a substitute for a comprehensive assessment of the borrower or the counterparty, nor can it compensate for insufficient information. It should be recognized that any credit enforcement actions (e.g. foreclosure proceedings) can eliminate the profit margin on the transaction. In addition, Banks need to be mindful that the value of collateral may well be impaired by the same factors that have led to the diminished recoverability of the credit.



The range of collaterals acceptable to the Bank include:

- Cash / Deposit (domestic and foreign currency) with the Bank including certificates of deposit or comparable instruments issued by the Bank.
- Certificates of Deposit from other banks.
- Commodities.
- Debt securities issued by sovereigns and public-sector enterprises.
- Debt securities issued by banks and corporations.
- Equities - Stocks / Share Certificates of quoted blue chip companies
- Mortgage on Landed Property
- Asset-backed securities.
- Charge on assets (Fixed and/or Floating) - premises/ inventory/ receivables/ merchandise/ plant/ machinery etc.
- Negative Pledges
- Lien on Asset being financed
- Stock Hypothecation
- Shipping Documents (for imports)
- Bankers Acceptance
- Life Assurance Policies

MASTER NETTING ARRANGEMENTS - TRADED PRODUCTS

Credit risk from traded products is managed within the overall credit risk appetite for corporates and financial institutions.

The credit risk exposure from traded products is derived from the positive mark-to-market value of the underlying instruments, and an additional component to cater for potential market movements.

For derivative contracts, we limit our exposure to credit losses in the event of default by entering into master netting agreements with certain counterparties. As required by IAS 32, exposures are only presented net in the financial statement if there is a legal right to offset and the assets/liabilities will be settled simultaneously.

It is the Group's policy that all credit exposures are adequately collateralised. Credit risk mitigation is an activity of reducing credit risk in an exposure

PROVISIONING POLICY

A loan or loan portfolio is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the loan or loan portfolio that can be reliably estimated.

MARKET RISK MANAGEMENT

DEFINITION

Access Bank is faced with the risk of decline in its earnings and capital arising from adverse changes in market variables; such as interest rate and foreign exchange rate. Market Risk is the risk that the value of on/off-balance sheet positions will be adversely affected by movements in interest rates and currency exchange rates. Access Bank is exposed to market risk through the positions created in its trading and banking books.

MARKET RISK POLICY MANAGEMENT AND CONTROL

Over the years, the Nigerian financial market has witnessed a dramatic expansion in the array of financial services and products. This tremendous growth in scale and scope has also generated new risks with global consequences, especially market risk, necessitating an assessment of exposures to the volatility of the underlying risk drivers.

These developments have prompted a comprehensive and dynamic Market Risk Policy, Asset and Liability Management Policy, Liquidity Policy, Stress Testing Policy, e.t.c. to

ensure that risks faced across business activities and on an aggregate basis are within the stipulated risk appetite of the Bank. These policies have been benchmarked with industry and international best practices, and CBN regulations.

The Board approves the risk appetite for trading and non-trading activities and risk limits are set within the context of the approved market risk appetite. Limits are set based on the approved risk appetite, underlying liquidity as well as legal limitations on individual positions imposed by the regulatory authorities in Nigeria. The specific limits are proposed by the Group Head, Market Risk Management and the Bank's Group Chief Risk Officer and approved by the Bank's Executive Management, relevant management committees, and ultimately by the Board.

The Bank runs a state-of-the-art integrated and straight through processing treasury system for enabling efficient, monitoring and management of interest rate and foreign exchange risks in the Bank. Liquidity, Exchange Rate, and Interest Rate risks are managed through various metrics



viz. Liquidity Gap Analysis, Dynamic Cash Flow Analysis, Liquidity Ratios, Value at Risk (VaR), Earnings at Risk (EaR) and Sensitivity Analysis. The primary aim of these processes is risk forecasting and impact mitigation through management action and portfolio rebalancing.

The risk reporting mechanism in the Bank comprises disclosures and reporting to the various management committees viz. Enterprise Risk Management Committee, Asset and Liability Committee and the Board Risk Management Committee. The Risk Committees receive daily and weekly risk dashboard and monthly and quarterly reports which are presented at the committee meetings. Depending on the market conditions and risk outlook, recommendations are made to the risk management committees in respect of the market risk profile, risk appetite appraisal; as well as review of limits against actual position.

The Bank regularly conducts stress testing to monitor its vulnerability to unfavorable shocks. It monitors and controls its risk, using various internal and regulatory risk limits for trading book and banking book which are set according to a number of criteria including economic scenario, business strategy, management experience, peer analysis and the Bank's risk appetite.

In line with the CBN's circular on new capital adequacy framework, Access Bank has adopted the standardised approach for market risk which is used in the annual computation of the Internal Capital Adequacy Assessment Process (ICAAP) which involves the identification, measurement and assessment of all material risks and resultant capital requirements.

Also, the Bank has put in place, a detailed plan for the full implementation for the Basel II & III frameworks. A road map for the migration to more advanced capital computation method which factors in the actual loss experience of the Bank has also been drawn up and is being implemented.

NON-TRADING PORTFOLIO

The principal objective of market risk management of non-trading portfolios is to optimize net interest income. Due to the size of the Bank's holdings in rate-sensitive assets and liabilities, a major area of market risk exposures in the Bank is the interest rate on the banking book. This risk arises from the mismatch between the future yield on assets and their funding cost, as a result of interest rate changes. The Bank uses a variety of tools to track and manage this risk:

- Re-pricing gap analysis (which allows the Bank to maintain a positive or negative gap depending upon the forecast of interest rate position). The size of the gap is then adjusted to either hedge net interest income against changing interest rates or to speculatively increase net interest income

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

INTEREST RATE RISK

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

RE-PRICING AND LIQUIDITY GAP ANALYSIS

Access Bank's objective for management of interest rate risk in the banking book is to ensure a higher degree of interest rate mismatch margin stability and lower interest rate risk over an interest rate cycle. This is achieved by hedging material exposures with the external market.

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

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

EARNINGS-AT-RISK (EAR) APPROACH

The principal tool used to measure and control market risk exposure within the Group's trading portfolios is the open position limits using the Earnings at Risk approach. Specified limits have been set for open positions limits, which are the expected maximum exposure the Group is to be exposed to. Risk management activities are aimed at optimizing net interest income, given market interest rate levels consistent with the Bank's business strategies.

Interest-rate risk is monitored centrally with a Gap report. A limits framework is in place to ensure that retained risk remains within approved appetite. Interest rate risk also arises in the treasuries of the Bank's African subsidiaries in the course of balance sheet management and facilitation of



customers' activities. The risk is managed by local treasury functions, subject to modest risk limits and other controls.

SENSITIVITY ANALYSIS AND STRESS TESTING

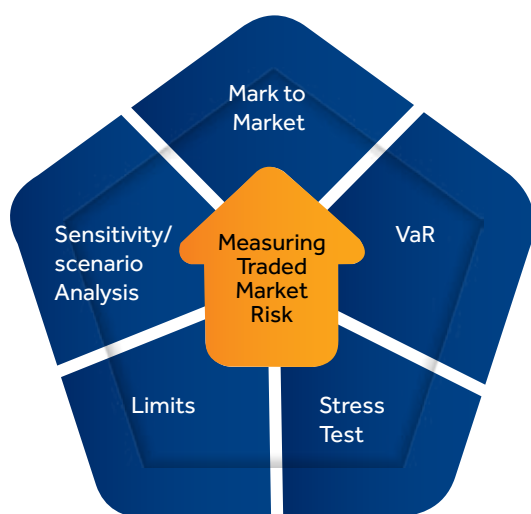
Sensitivity analysis and stress testing are risk measurement techniques that help us ensure that the risks the Bank takes remain within our risk appetite and that our level of capital remains adequate. Sensitivity analysis involves varying a single factor (e.g. a model input or specific assumption) to assess the impact on various risk measures.

Stress testing generally involves consideration of the simultaneous movements in a number of risk factors. It is used to measure the level of potential unexpected losses for Credit, Market (both trading and non-trading), Operational and Liquidity Risks.

Under potential adverse conditions, stress testing plays an important role in supporting overall capital management and adequacy assessment processes. Our enterprise-wide stress testing programme utilizes stress scenarios featuring a range of severities based on unlikely but possible adverse market and economic events. These common stress scenarios are evaluated across the organization, and results are integrated to develop an enterprise-wide view of the impacts on our financial results and capital requirements. This programme uses macro-economic projections and applies them as stress impacts on the organization viz-a-viz the various risk types.

TRADING PORTFOLIO

The measurement and control techniques used to measure and control traded market risk (interest rate and foreign exchange risk) include daily valuation of positions, limit monitoring, gap analysis, sensitivity analysis, Value at Risk, tail risk, stress testing, e.t.c.



LIMITS

Specific limits and triggers (regulatory and in-house) have been set across the various market risk areas to prevent

undue exposure and the Market Risk Management Group ensures that these limits and triggers are adhered to by the Bank. The following limits currently exist;

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

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

Interbank placement and takings Limit: In line with the Bank's drive to be a top liquidity provider in the financial market, stringent controls have been set to ensure that any takings from interbank are preceded by proper authorization, to reduce the risks that come with huge interbank borrowing.

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

Stop Loss Limit: This limit sets a maximum tolerable unrealized profit/loss to date which will trigger the closing of a position in order to avoid any further loss based on existing exposures. Positions are liquidated uniformly when stop loss limits are breached.

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

Value-at-Risk Limit: The normal VaR of the portfolio will be the Naira loss that will be exceeded 1% of the time over a one day horizon. The VaR limits are linked to the Bank's risk appetite and Treasury' Budget. To quantify the risk appetite with respect to trading intentions we set the VaR LIMIT as a percentage of this value.

These risk limits are set and reviewed at least annually to control Access Bank's trading activities in line with the defined risk appetite of the Group. Criteria for setting risk limits include relevant market analysis, market liquidity and business strategy. Trading risk limits are set at an aggregate, risk category and lower levels and are expressed in terms of VaR. This is further supported by a comprehensive set of non-VaR limits, including foreign exchange position limits, stop loss limits and Management Action Triggers. Appropriate performance triggers are also used as part of the risk



management process.

MARK-TO-MARKET (MTM)

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

VALUE AT RISK (VaR)

Risk of losses arising from future potential adverse movements in market rates, prices and volatilities are measured using a VaR methodology. VaR, in general, is a quantitative measure of market risk that applies recent historic market conditions to estimate the potential future loss in market value that will not be exceeded in a set time period and at a set statistical confidence level.

VaR provides a consistent measure that can be applied across trading businesses and products over time and can be set against actual daily trading profit and loss outcome. To assess their predictive power, VaR models are back tested against actual results.

Access Bank uses an internal VaR model based on the historical simulation method. 300 days of historical price and rate data is applied and updated daily. This internal model is used for measuring value at risk over both a one-day holding period at a 99% confidence level. This model covers general market (position) risk across all approved interest rate and foreign exchange products.

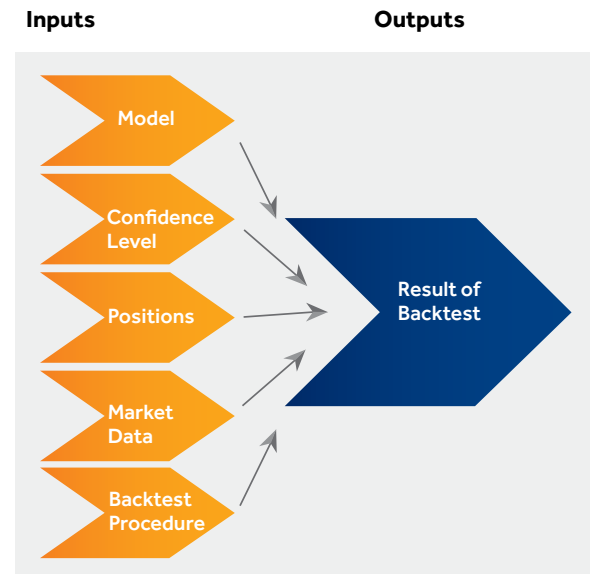
There are a number of considerations that should be taken into account when reviewing the VaR numbers including;

- Historical simulation assumes that the past is a good representation of the future. This may not always be the case.
- The assumed time horizon will not fully capture the market risk of positions that cannot be closed out or hedged within this time horizon.
- VaR does not indicate the potential loss beyond the selected percentile.
- Intra-day risk is not captured.
- Prudent valuation practices are used in the VaR calculation when there is difficulty obtaining rate and price information.
- To complement VaR, stress testing and other sensitivity measures are used.

BACK TESTING

The VaR model is an important market risk measurement and control tool and consequently the performance of the model is regularly assessed for continued suitability. The main approach employed is a technique known as back

testing, which counts the number of days when daily trading losses exceed the corresponding VaR estimate.



The standard for back testing is to measure daily losses against the VaR measurement assuming a one-day holding period and a 99% level of confidence. The green zone of four or less exceptions over a 12-month period is consistent with a good working VaR model. Back testing reports are produced regularly.

STRESS TESTING

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

Losses beyond the confidence interval are not captured by a VaR calculation, which therefore gives no indication of the size of unexpected losses in these situations. Market Risk complements the VaR measurement by regular stress testing of market risk exposures to highlight the potential risk that may arise from extreme market events that are rare but plausible.

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

The Bank performs two main types of stress and scenario testing. First, risk factor stress testing, where extended historical stress moves are applied to each of the main risk categories, which include interest rate, equity, foreign exchange, commodity and credit spread risk. Secondly, the



trading book is subjected to multi-factor scenarios that simulate past periods of significant market disturbance and hypothetical extreme yet plausible events.

Stress scenarios are regularly updated to reflect changes in risk profile and economic events. Regular stress test

scenarios are applied to interest rates, credit spreads, exchange rates, commodity prices and equity prices. Ad hoc scenarios are also prepared reflecting specific market conditions and for particular concentrations of risk that arise within the businesses.

LIQUIDITY RISK MANAGEMENT

Liquidity risk arises when the Bank is unable to meet expected or unexpected current or future cash flows and collateral needs without affecting its daily operations or its financial condition. The Bank is managed to preserve a high degree of liquidity so that it can meet the requirements of its customers at all times including periods of financial stress.

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

The Bank's liquidity has consistently been materially above the minimum liquidity ratio and the requirements of its stress tests. Global funding and liquidity risk management activities are centralized within Corporate Treasury. We believe that a centralized approach to funding and liquidity risk management enhances our ability to monitor liquidity requirements, maximize access to funding sources, minimize borrowing costs and facilitate timely responses to liquidity events.

The Board approves the Bank's Liquidity Policy and Contingency Funding Plan, including establishing liquidity risk tolerance levels. The Group ALCO, in conjunction with the Board and its committees, monitors our liquidity position and reviews the impact of strategic decisions on our liquidity. Liquidity positions are measured by calculating the Bank's net liquidity gap and by comparing selected ratios with targets as specified in the Liquidity Risk Management Manual. In line with Basel III regulations, the Bank has documented its Internal Liquidity Adequacy Assessment Process (ILAAP).

QUANTIFICATIONS

Access Bank has adopted both qualitative and quantitative approaches to measuring liquidity risk. Specifically, the Bank adopted the following approaches;

a) Funding and Liquidity plan;

b) Gap Analysis; and
c) Ratio Analysis.

The Funding and Liquidity plan defines the Bank's sources and channels of utilization of funds. The funding liquidity risk limit is quantified by calculating liquidity ratios and measuring/monitoring the cumulative gap between our assets and liabilities. The Liquidity Gap Analysis quantifies the daily and cumulative gap in a business as usual environment. The gap for any given tenor bucket represents the borrowings from, or placements to, the market required to replace maturing liabilities or assets. The Bank monitors the cumulative gap as a + or – 20% of the total risk assets and the gap as a + or – 20% of total deposit liabilities.

LIMIT MANAGEMENT AND MONITORING

Active management of liquidity through the framework of limits and control presented above is possible only with proper monitoring capabilities. The monitoring process focuses on funding portfolios, the forward balance sheet and general indicators; where relevant information and data are compared against limits that have been established. The Bank's Group Treasury is responsible for maintaining sufficient liquidity by maintaining a sufficiently high ratio of liquid assets and available funding for near-term liabilities. The secured liquidity measure is calculated and monitored by risk management. Increased withdrawals of short-term funds are monitored through measurements of the deposit base in the Bank. Liquidity risk is reported to the Board of Directors on a quarterly basis.

CONTINGENCY FUNDING PLAN

Access Bank has a contingency funding plan which incorporates early warning indicators to monitor market conditions. The Bank monitors its liquidity position and funding strategies on an ongoing basis, but recognizes that unexpected events, economic or market conditions, earnings problems or situations beyond its control could cause either a short or long-term liquidity crisis. It reviews its contingency funding plan in the light of evolving market conditions and stress test results.



To monitor liquidity and funding, the Group Treasury prepares a liquidity worksheet that projects' sources and uses of funds. The worksheet incorporates the impact of moderate risk and crisis situations. The worksheet is an integral component of the contingency funding plan. Although it is unlikely that a funding crisis of any significant degree could materialize, we consider it important to evaluate this risk and formulate contingency plans should one occur.

The contingency funding plan covers: the available sources of contingent funding to supplement cash flow shortages; the lead times to obtain such funding; the roles and responsibilities of those involved in the contingency plans; and the communication and escalation requirements when early warning indicators signal deteriorating market conditions. Both short term and long-term funding crises are addressed in the contingency funding plan.



5.1 Credit risk management

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

Credit risk exposures relating to financial assets are as follows:

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Cash and balances with banks				
- Current balances with banks outside Nigeria	217,912,989	115,380,195	177,770,685	106,594,205
- Unrestricted balances with central banks	28,837,649	139,954,922	7,976,547	33,160,736
- Restricted balances with central banks	357,173,356	250,831,529	354,986,209	248,547,664
- Money market placements	261,805,783	119,826,012	28,157,562	41,798,197
- Other deposits with central banks	88,214,622	87,896,447	88,214,622	87,896,447
Investment under management	20,257,131	14,871,247	20,257,131	14,871,247
Non pledged trading assets				
Treasury bills	37,743,819	34,381,635	33,906,748	34,381,635
Bonds	9,050,894	10,188,597	9,050,894	10,188,597
Derivative financial instruments	93,419,293	156,042,984	92,390,219	155,772,662
Loans and advances to banks	68,114,076	45,203,002	101,429,001	104,006,574
Loans and advances to customers	1,995,987,627	1,809,459,172	1,771,282,738	1,594,562,345
Pledged assets				
Treasury bills	258,672,815	188,239,520	252,061,738	188,239,520
Bonds	188,441,589	126,707,982	188,441,589	126,707,982
Investment securities				
Available for sale				
Treasury bills	29,977,451	69,346,601	9,598,737	40,960,665
Bonds	54,079,368	32,891,849	28,066,294	21,699,880
Held to Maturity				
Treasury bills	88,203,365	27,350,114	5,837,568	-
Bonds	36,590,582	41,101,014	9,116,855	40,363,051
Other assets	46,799,196	41,796,068	34,517,514	33,265,072
Total	3,881,231,605	3,311,468,890	3,213,062,650	2,883,016,479
Off balance sheet exposures				
Transaction related bonds and guarantees	370,892,995	186,251,718	225,158,636	136,163,848
Guaranteed facilities	171,002,109	99,582,709	81,335,619	85,513,821
Clean line facilities for letters of credit and other commitments	293,267,039	261,208,243	200,918,665	158,994,793
Future, swap and forward contracts	662,935,746	933,073,893	624,709,693	900,436,358
Total	1,498,097,889	1,480,116,563	1,132,122,613	1,281,108,820

Balances included in Other Assets above are those subject to credit risks. The table above shows a worst-case scenario of credit risk exposure to the Group as at 31 December 2017 and 31 December 2016, without taking account of any collateral held or other credit enhancements attached.

For on-balance-sheet assets, the exposures set out above are based on net amounts reported in the statements of financial position for off balance sheet exposure, the future, swap and forward contracts disclosed above are the nominal values of the contracts

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



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

	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
<i>In thousands of Naira</i>				
Agriculture	41,049,807	22,746,128	33,387,238	16,358,431
Construction	201,778,198	136,719,717	167,640,113	107,339,808
Education	1,578,846	2,866,466	1,143,935	1,411,646
Finance and insurance	26,803,137	24,432,492	21,272,239	21,309,881
General	58,222,075	65,759,892	51,380,613	58,753,541
General commerce	246,861,833	192,758,058	202,418,282	139,729,100
Government	252,844,215	265,754,095	252,842,296	265,300,462
Information And communication	108,995,556	118,887,314	104,961,637	114,360,925
Other Manufacturing (Industries)	86,898,036	98,361,843	63,138,053	77,233,498
Basic Metal Products	2,447,738	2,978,984	2,447,738	2,978,984
Cement	28,230,573	26,141,390	28,230,573	26,141,390
Conglomerate	28,680,746	31,074,505	28,680,746	31,074,505
Steel Rolling Mills	23,690,560	65,431,551	23,690,560	65,431,551
Flourmills And Bakeries	35,728,951	5,045,937	25,574,476	5,045,937
Food Manufacturing	65,610,086	29,921,021	65,610,086	22,140,950
Oil And Gas - Downstream	125,782,480	155,875,311	117,101,483	130,605,016
Oil And Gas - Services	246,820,468	204,208,802	245,082,920	201,268,821
Oil And Gas - Upstream	124,627,587	105,211,512	124,627,587	105,211,512
Crude oil refining	36,001,965	33,386,262	36,001,965	33,386,262
Real estate activities	167,173,504	134,617,760	148,852,107	128,653,753
Transportation and storage	85,626,593	64,919,122	60,458,743	52,966,761
Power and energy	12,075,600	21,406,071	11,152,289	9,465,028
Professional, scientific and technical activities	4,920,204	3,229,824	2,631,415	1,913,153
Others	47,406,687	33,431,407	9,245,046	6,756,944
	2,059,855,443	1,845,165,464	1,827,572,140	1,624,837,859



5.1.3(a) Group	Loans and advances to Individuals			Loans and advances Corporates			Loans and advances to banks			Off balance sheet		
	December 2017	December 2016	December 2017	December 2016	December 2017	December 2016	December 2017	December 2016	December 2017	December 2016	December 2017	December 2016
Credit quality by class <i>In thousands of Naira</i>												
Carrying amount	66,336,659	60,772,694	1,929,650,967	1,748,686,478	68,114,077	45,203,003	1,498,097,889	1,480,116,562				
Neither past due nor impaired												
Grade 1:	-	-	125,458,686	140,577,674	66,799,117	44,515,864	767,924,971	697,527,499				
Grade 2:	-	-	562,911,931	620,986,103	-	-	416,377,679	254,394,923				
Grade 3:	65,208,257	58,049,748	1,071,044,176	883,334,381	1,273,337	648,871	313,795,239	525,564,741				
Grade 4:	896,996	1,630,027	75,682,756	85,410,961	-	-	-	2,629,399				
Grade 5:	-	-	28,786,043	3,335,377	-	-	-	-				
Gross amount	66,105,253	59,679,776	1,863,883,592	1,733,644,496	68,072,454	45,164,735	1,498,097,889	1,480,116,562				
Impairment	(527,413)	(616,914)	(17,561,519)	(19,158,011)	(19,926)	(9,006)	-	-				
Carrying amount	65,577,840	59,062,861	1,846,322,074	1,714,486,485	68,052,528	45,155,729	1,498,097,889	1,480,116,562				
Past due but not impaired:												
Grade 6:	57,643	658,807	3,712,416	4,099,130	-	-	-	-				
Grade 7:	80,338	852,431	16,457,998	1,067,363	82,917	61,654	-	-				
Grade 8:	446,868	690,396	7,761,468	5,034,436	-	-	-	-				
Gross amount	584,849	2,201,634	27,931,882	10,200,929	82,917	61,654	-	-				
Impairment	(153,373)	(557,599)	(4,755,924)	(618,041)	(21,369)	(14,380)	-	-				
Carrying amount	431,475	1,644,035	23,175,959	9,582,888	61,548	47,274	-	-				
Past due and impaired:												
Grade 6: Impaired	369,308	405,200	6,397,603	5,727,631	-	-	-	-				
Grade 7: Impaired	16,640	23,012	74,180,182	5,845,857	-	-	-	-				
Grade 8: Impaired	354,403	193,016	20,031,730	27,243,913	-	-	-	-				
Gross amount	740,350	621,228	100,609,516	38,817,401	-	-	-	-				
Allowance for impairment	(413,006)	(555,430)	(40,456,581)	(14,200,296)	-	-	-	-				
Carrying amount	327,344	65,798	60,152,935	24,617,105	-	-	-	-				



Bank Credit quality by class In thousands of Naira	Loans and advances to Individuals		Loans and advances Corporates		Loans and advances to banks		Off balance sheet	
	December 2017	December 2016	December 2017	December 2016	December 2017	December 2016	December 2017	December 2016
Carrying amount	29,206,079	34,945,193	1,742,076,660	1,559,617,152	101,450,160	104,006,574	1,132,122,612	1,281,108,820
Neither past due nor impaired								
Grade 1:	-	-	124,748,995	138,494,537	100,135,411	103,319,435	666,975,113	697,527,499
Grade 2:	-	-	543,007,535	612,599,057	-	-	248,042,564	254,394,923
Grade 3:	29,220,239	34,386,962	933,355,020	747,567,989	1,273,337	648,871	217,104,937	326,556,998
Grade 4:	-	-	66,497,470	53,294,762	-	-	-	2,629,400
Grade 5:	-	-	28,786,045	3,335,377	-	-	-	-
Gross amount	29,220,239	34,386,962	1,696,395,064	1,555,291,722	101,408,748	103,968,306	1,132,122,612	1,281,108,820
Impairment	(492,459)	(578,908)	(15,733,601)	(18,737,558)	(19,926)	(9,006)	-	-
Carrying amount	28,727,779	33,808,054	1,680,661,463	1,536,554,164	101,388,821	103,959,300	1,132,122,612	1,281,108,820
Past due but not Impaired:								
Grade 6:	55,037	137,463	1,301,178	727,602	-	-	-	-
Grade 7:	72,018	833,271	12,282,392	757,098	82,917	61,654	-	-
Grade 8:	360,694	627,308	5,389,076	529,504	-	-	-	-
Gross amount	487,750	1,598,042	18,972,646	2,014,204	82,917	61,654	-	-
Impairment	(153,281)	(460,904)	(3,893,301)	(413,828)	(21,580)	(14,380)	-	-
Carrying amount	334,467	1,137,138	15,079,344	1,600,376	61,337	47,274	-	-
Past due and Impaired:								
Grade 6: Impaired	364,095	405,200	1,092,879	5,684,031	-	-	-	-
Grade 7: Impaired	-	-	66,044,948	3,582,551	-	-	-	-
Grade 8: Impaired	182,055	-	14,812,468	21,875,146	-	-	-	-
Gross amount	546,150	405,200	81,950,295	31,141,728	-	-	-	-
Allowance for impairment	(402,318)	(405,200)	(35,614,441)	(9,679,116)	-	-	-	-
Carrying amount	143,832	-	46,335,853	21,462,612	-	-	-	-

5.1.3
(b)

Aging analysis of credit quality

	Group			Bank		
	Loans to individuals	Loans to Corporates and Banks	Other assets	Loans to individuals	Loans to Corporates and Banks	Other assets
31 December 2017						
Past due & not impaired						
Past due up to 30days	50,367	2,039,705	10,421,761	55,037	1,301,178	10,421,761
Past due up 30 - 60 days	329,850	11,908,951	34,394	72,018	12,365,309	34,394
Past due up 60 - 90 days	204,632	13,983,227	89	360,694	5,306,158	89
Total	584,849	27,931,882	10,456,244	487,750	18,972,646	10,456,244
Past due & impaired						
Past due up to 91 - 180days	460,721	11,889,957	3,174,170	546,150	1,092,879	3,174,170
Past due up 180 - 360 days	41,897	69,976,067	149,719	-	66,044,948	149,719
Above 360days	237,732	18,743,492	4,423,580	-	14,812,468	4,423,580
Total	740,350	100,609,516	7,747,470	546,150	81,950,295	7,747,470
31 December 2016						
Past due & not impaired						
Past due up to 30days	658,807	4,099,130	33,760	137,463	727,602	33,760
Past due up 30 - 60 days	852,431	1,067,363	3,504	833,271	757,098	3,504
Past due up 60 - 90 days	690,396	5,034,436	34,830	627,308	529,504	34,830
Total	2,201,634	10,200,929	72,094	1,598,042	2,014,204	72,094
Past due & impaired						
Past due up to 91 - 180days	405,200	5,727,631	170,490	405,200	5,684,031	170,490
Past due up 180 - 360 days	23,012	5,845,857	2,151,168	-	3,582,551	2,151,168
Above 360days	193,016	27,243,913	646,200	-	21,875,146	646,200
Total	621,229	38,817,401	2,967,858	405,200	31,141,728	2,967,858





5.1.3 Credit quality by risk rating class

Group	Loans and advances to Individuals		Loans and advances to Corporates		Loans and advances to Banks	
	December 2017	December 2016	December 2017	December 2016	December 2017	December 2016
In thousands of Naira						
External Rating Equivalent	Grade	Risk Rating	December 2017	December 2016	December 2017	December 2016
AAA	Investment	1	-	-	125,458,686	140,577,676
AA	Investment	2+	-	-	200,441,984	172,873,234
A	Investment	2	-	-	142,448,359	195,719,545
BBB	Investment	2-	-	-	220,021,589	252,393,325
BB+	Standard	3+	183,059	698,134	349,018,386	257,581,303
BB	Standard	3	63,821,628	56,772,887	594,989,903	532,076,799
BB-	Standard	3-	1,203,570	577,003	127,513,661	93,676,279
B	Non-Investment	4	896,996	1,630,027	75,682,756	85,410,961
B-	Non-Investment	5	-	1,724	28,786,043	3,335,377
CCC	Non-Investment	6	426,950	1,064,007	10,110,020	9,826,761
C	Non-Investment	7	96,978	875,443	90,160,408	6,913,220
D	Non-Investment	8	801,270	883,412	27,793,196	32,278,349
Gross amount			67,430,452	62,502,637	1,992,424,991	1,782,662,829
Collective Impairment			(680,786)	(941,178)	(21,401,515)	(17,266,952)
Specific Impairment			(413,006)	(250,624)	(41,372,509)	(10,232,054)
Carrying amount			66,336,660	61,310,835	1,929,650,967	1,755,163,823
Derivative Financial Instruments						
			Gross Nominal		Fair Value	
			December 2017	December 2016	December 2017	December 2016
AAA-A	Investment	1	314,229,021	499,960,107	77,838,681	130,383,150
A	Investment	2	7,385,190	28,635,979	1,796,922	3,668,990
AA	Investment	2+	3,078,492	20,574,538	187,071	1,523,707
BBB	Investment	2-	101,649,792	160,447,229	13,596,620	20,467,138
Gross amount			426,342,495	709,617,853	93,419,294	156,042,985
Collective Impairment			-	-	-	-
Specific Impairment			-	-	-	-
Carrying amount			426,342,495	709,617,853	93,419,294	156,042,985

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

Credit quality by risk rating class

Bank	External Rating Equivalent	Grade	Risk Rating	Loans and advances to Individuals		Loans and advances to Corporates		Loans and advances to Banks	
				December 2017	December 2016	December 2017	December 2016	December 2017	December 2016
In thousands of Naira									
AAA	Investment		1	-	-	124,748,995	138,494,537	100,114,041	103,319,435
AA	Investment		2+	-	-	199,561,424	171,528,084	-	-
A	Investment		2	-	-	139,252,419	190,643,315	-	-
BBB	Investment		2-	-	-	204,193,692	250,427,658	-	-
BB+	Standard		3+	183,059	698,134	326,358,842	236,768,708	-	-
BB	Standard		3	28,559,373	33,111,826	486,875,939	428,534,577	1,273,337	648,871
BB-	Standard		3-	477,807	577,003	120,122,240	82,264,705	-	-
B	Non-Investment		4	-	-	66,497,470	53,294,762	-	-
B-	Non-Investment		5	-	-	28,786,043	3,335,377	-	-
CCC	Non-Investment		6	419,132	542,663	2,394,057	6,411,633	-	-
C	Non-Investment		7	72,018	833,271	78,327,340	4,339,649	83,127	61,654
D	Non-Investment		8	542,749	627,308	20,201,543	22,404,651	-	-
Gross amount				30,254,138	36,390,205	1,797,318,004	1,588,447,656	101,470,506	104,029,960
Collective Impairment				(645,740)	(1,039,812)	(19,626,902)	(19,151,386)	(41,506)	(23,386)
Specific Impairment				(402,318)	(405,200)	(35,614,441)	(9,679,116)	-	-
Carrying amount				29,206,080	34,945,193	1,742,076,661	1,559,617,154	101,429,001	104,006,574

Derivative Financial Instruments

External Rating Equivalent	Grade	Risk Rating	Gross Nominal		Fair Value	
			December 2017	December 2016	December 2017	December 2016
AAA-A	Investment	1	314,229,021	499,960,107	77,838,681	130,383,150
A	Investment	2	7,385,190	28,635,979	1,796,922	3,668,990
AA	Investment	2+	3,078,492	9,728,383	187,071	1,253,384
BBB	Investment	2-	66,105,562	160,447,229	12,567,546	20,467,138
Gross amount			390,798,265	698,771,698	92,390,219	155,772,662
Collective Impairment			-	-	-	-
Specific Impairment			-	-	-	-
Carrying amount			390,798,265	698,771,698	92,390,219	155,772,662

The external rating equivalent refers to the equivalent ratings for loans and advances by credit rating agencies.





Group

In thousands of Naira

31 December 2017

	Total	Grade 1-3	Grade 4-5	Grade 6	Grade 7	Grade 8
Cash and balances with banks						
Current balances with banks'	217,912,766	217,912,766	-	-	-	-
Restricted deposits with central banks	357,173,356	357,173,356	-	-	-	-
Unrestricted balances with central banks	28,837,649	28,837,649	-	-	-	-
Money market placements	261,805,783	261,805,783				
Other deposits with Central Banks	88,214,622	88,214,622	-	-	-	-
Investment under management	20,257,131	20,257,131	-	-	-	-
Non-pledged trading assets						
Treasury bills	37,743,819	37,743,819	-	-	-	-
Bonds	9,050,894	9,028,493	22,401	-	-	-
Derivative financial instruments	93,419,293	93,419,293	-	-	-	-
Pledged assets						
Treasury bills	258,672,815	258,672,815	-	-	-	-
Bonds	188,441,589	188,441,589	-	-	-	-
Investment securities						
- Available for sale						
Treasury bills	29,977,451	29,977,451	-	-	-	-
Bonds	54,079,368	54,079,368	-	-	-	-
- Held to Maturity						
Treasury bills	88,203,365	88,203,365	-	-	-	-
Bonds	36,590,582	36,590,582	-	-	-	-
Other assets	46,799,196	46,799,196	-	-	-	-
	1,817,129,902	1,817,107,500	22,401	-	-	-



Group

In thousands of Naira

31 December 2016

	Total	Grade 1-3	Grade 4-5	Grade 6	Grade 7	Grade 8
Cash and balances with banks						
Current balances with banks'	115,380,195	115,380,195	-	-	-	-
Restricted deposits with central banks	250,831,529	250,831,529	-	-	-	-
Unrestricted balances with central banks	139,954,922	139,954,922	-	-	-	-
Money market placements	119,826,012	119,826,012	-	-	-	-
Other deposits with Central Banks	87,896,447	87,896,447	-	-	-	-
Investment under management	14,871,247	14,871,247	-	-	-	-
Non-pledged trading assets						
Treasury bills	34,381,635	34,381,635	-	-	-	-
Bonds	10,188,597	10,180,206	8,391	-	-	-
Derivative financial instruments	156,042,984	156,042,984	-	-	-	-
Pledged assets						
Treasury bills	188,239,520	188,239,520	-	-	-	-
Bonds	126,707,982	126,707,982	-	-	-	-
Investment securities						
- Available for sale						
Treasury bills	69,346,601	69,346,601	-	-	-	-
Bonds	32,891,849	32,891,849	-	-	-	-
- Held to Maturity						
Treasury bills	27,350,114	27,350,114	-	-	-	-
Bonds	41,101,014	41,101,014	-	-	-	-
Other assets	41,796,068	41,796,068	-	-	-	-
	1,456,806,715	1,456,798,324	8,391	-	-	-



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

Bank

In thousands of Naira

31 December 2017

	Total	Grade 1-3	Grade 4-5	Grade 6	Grade 7	Grade 8
Cash and balances with banks						
Current balances with banks'	177,770,685	177,770,685	-	-	-	-
Restricted deposits with central banks	354,986,209	354,986,209	-	-	-	-
Unrestricted balances with central banks	7,976,547	7,976,547	-	-	-	-
Money market placements	28,157,562	28,157,562	-	-	-	-
Other deposits with Central Banks	88,214,622	88,214,493	-	-	-	-
Investment under management	20,257,131	20,257,131	-	-	-	-
Non-pledged trading assets						
Treasury bills	33,906,748	33,906,748	-	-	-	-
Bonds	9,050,894	9,028,493	22,401	-	-	-
Derivative financial instruments	92,390,219	92,390,219	-	-	-	-
Pledged assets						
Treasury bills	252,061,738	252,061,738	-	-	-	-
Bonds	188,441,589	188,441,589	-	-	-	-
Investment securities						
Available for sale						
Treasury bills	9,598,737	9,598,737	-	-	-	-
Bonds	28,066,294	28,066,294	-	-	-	-
Held to Maturity						
Treasury bills	5,837,568	5,837,568	-	-	-	-
Bonds	9,116,855	9,116,855	-	-	-	-
Other assets	34,517,513	34,517,513	-	-	-	-
	1,340,350,912	1,340,328,511	22,401	-	-	-



Bank

In thousands of Naira

31 December 2016

	Total	Grade 1-3	Grade 4-5	Grade 6	Grade 7	Grade 8
Cash and balances with banks						
Current balances with banks'	106,594,205	106,594,205	-	-	-	-
Restricted deposits with central banks	248,547,664	248,547,664	-	-	-	-
Unrestricted balances with central banks	33,160,736	33,160,736	-	-	-	-
Money market placements	41,798,197	41,798,197	-	-	-	-
Other deposits with Central Banks	87,896,447	87,896,447	-	-	-	-
Investment under management	14,871,247	14,871,247	-	-	-	-
Non-pledged trading assets						
Treasury bills	34,381,635	34,381,635	-	-	-	-
Bonds	10,188,597	10,180,206	8,391	-	-	-
Derivative financial instruments	155,772,662	155,772,662	-	-	-	-
Pledged assets						
Treasury bills	188,239,520	188,239,520	-	-	-	-
Bonds	126,707,982	126,707,982	-	-	-	-
Investment securities						
Available for sale						
Treasury bills	40,960,665	40,960,665	-	-	-	-
Bonds	21,456,519	21,456,519	-	-	-	-
Held to Maturity						
Treasury bills	-	-	-	-	-	-
Bonds	40,363,051	40,363,051	-	-	-	-
Other assets	33,265,072	33,265,072	-	-	-	-
	1,184,447,559	1,184,439,168	8,391	-	-	-



5.1.3 Credit quality
(e) Credit quality by credit risk rating model

Group	Loans and advances to Individuals		Loans and advances to Corporates		Loans and advances to banks	
	December 2017	December 2016	December 2017	December 2016	December 2017	December 2016
<i>In thousands of Naira</i>						
Risk Rating (ORR) Model						
Auto Loan	1,878,145	2,511,013	1,620,583	2,003,352	-	-
Credit Card	3,019,121	3,475,443	453,502	576,553	-	13,599
Finance Lease	1,226,099	60,912	3,620,889	3,946,347	5,484	8,455
Mortgage Loan	33,118,619	24,375,564	10,584,856	5,929,037	-	-
Overdraft	2,494,735	5,639,049	199,670,621	181,242,213	1,350,771	647,541
Personal Loan	17,615,988	18,754,870	-	-	-	-
Term Loan	7,175,548	6,964,075	1,269,478,525	1,102,912,471	-	40,930
Time Loan	902,195	721,712	506,996,016	486,052,855	66,799,326	44,515,863
Gross amount	67,430,452	62,502,636	1,992,424,992	1,782,662,828	68,155,581	45,226,388
Collective Impairment	(680,786)	(1,174,513)	(21,401,515)	(19,776,052)	(41,506)	(23,386)
Specific Impairment	(413,006)	(555,430)	(41,372,509)	(14,200,296)	-	-
Carrying amount	66,336,660	60,772,693	1,929,650,967	1,748,686,480	68,114,076	45,203,002

Bank	Loans and advances to Individuals		Loans and advances Corporates		Loans and advances to banks	
	December 2017	December 2016	December 2017	December 2016	December 2017	December 2016
<i>In thousands of Naira</i>						
Risk Rating (ORR) Model						
Auto Loan	1,671,616	2,426,024	1,620,583	2,003,352	-	-
Credit Card	2,905,420	3,431,339	418,797	563,357	-	13,599
Finance Lease	63,923	60,912	3,620,889	3,946,347	5,484	8,455
Mortgage Loan	4,230,374	5,053,845	-	18,437	-	-
Overdraft	2,367,502	5,033,990	154,534,930	135,065,623	1,350,771	647,541
Personal Loan	15,085,225	17,369,909	-	-	-	-
Term Loan	3,125,406	2,427,653	1,194,329,450	1,032,873,587	-	40,930
Time Loan	804,675	586,531	442,793,354	413,976,953	100,114,252	103,319,435
Gross amount	30,254,138	36,390,205	1,797,318,002	1,588,447,654	101,470,507	104,029,960
Collective Impairment	(645,740)	(1,039,812)	(19,626,902)	(19,151,386)	(41,506)	(23,386)
Specific Impairment	(402,318)	(405,200)	(35,614,441)	(9,679,116)	-	-
Carrying amount	29,206,080	34,945,193	1,742,076,459	1,559,617,153	101,429,001	104,006,574



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

Group In thousands of Naira	December 2017			December 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Against neither past due and not impaired						
Property	-	-	995,295,330	-	-	914,144,760
Equities	18,533,713	36,354,348	-	57,865,380	15,916,553	-
Cash	129,525,855	-	-	171,417,199	-	-
Pledged goods/receivables	-	-	133,801,201	-	-	141,014,518
Others	-	-	1,596,503,916	-	-	846,303,836
Total	148,059,568	36,354,348	2,725,600,448	229,282,579	15,916,553	1,901,463,114
Against past due but not impaired:						
Property	-	-	10,885,975	-	-	4,985,770
Equities	-	-	-	-	-	-
Cash	-	-	-	-	-	-
Pledged goods/receivables	-	-	2,970,693	-	-	-
Others	-	-	14,416,593	-	-	32,241
Total	-	-	28,273,261	-	-	5,018,011
Against past due and impaired						
Property	-	-	16,629,299	-	-	29,237,351
Equities	-	-	-	24,909	-	-
Cash	-	-	-	1,178,130	-	-
Pledged goods/receivables	-	-	2,090,637	-	-	-
Others	-	-	17,312,492	-	-	19,054,851
Total	148,059,568	36,354,348	2,789,906,136	230,485,618	15,916,553	1,954,773,327



Bank

In thousands of Naira

	December 2017			December 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Against neither past due and not impaired						
Property	-	-	852,166,224	-	-	777,026,304
Equities	18,533,713	36,354,348	-	35,795,940	15,916,553	-
Cash	107,162,730	-	-	153,127,205	-	-
Pledged goods/receivables	-	-	133,801,201	-	-	141,014,518
Others	-	-	1,445,196,657	-	-	745,839,135
Total	125,696,443	36,354,348	2,431,164,082	188,923,145	15,916,553	1,663,879,957

Against past due but not impaired:

Property	-	-	5,544,609	-	-	1,272,479
Equities	-	-	-	-	-	-
Cash	-	-	-	-	-	-
Pledged goods/receivables	-	-	2,970,693	-	-	-
Others	-	-	14,416,593	-	-	32,241
Total	-	-	22,931,895	-	-	1,304,720

Against past due and impaired

Property	-	-	7,654,848	-	-	19,975,994
Equities	-	-	-	24,909	-	-
Cash	-	-	-	-	-	-
Pledged goods/receivables	-	-	2,090,637	-	-	-
Others	-	-	15,418,194	-	-	18,115,344
Total	125,696,443	36,354,348	2,479,259,656	188,948,054	15,916,553	1,703,276,015



There are no collaterals held against other financial assets. The Group obtained a property during the year by taking possession of collateral held as security against a loan. The value of the collateral repossessed during the year was N9.4bn (2016: Nil). The Group's policy is to pursue timely realisation of the collateral in an orderly manner. The Group does not generally use the non-cash collateral for its own operations. Hence, the repossessed collateral has been included in assets classified as held for sale (Note 31).

Collateral held and other credit enhancements, and their financial effect

The general creditworthiness of a customer tends to be the most relevant indicator of credit quality of a loan extended to it. However, collateral provides additional consideration in the credit process and the Group generally requests that corporate borrowers provide collateral. The Group may take collateral in the form of a first charge over real estate, floating charges over all corporate assets and other liens and guarantees. The Bank will sell or repossess a pledged collateral only in the event of a default and after exploring other means of repayment. In addition to the Group's focus on creditworthiness, the Group aligns with its Credit Policy Guide to periodically review the valuations of collaterals held against all loans to customers. This is done in line with the approved Framework for valuing various categories of collateral accepted by the Bank.

The fair values of collaterals are based upon last annual valuation undertaken by independent valuers on behalf of the bank. The valuation technique adopted for properties are based on fair values of similar properties in the neighbourhood. The fair values of non-property collaterals (such as equities, bond, treasury bills, etc.) are determined with reference to market quoted prices or market values of similar instruments.

5.1.4 Offsetting financial assets and financial liabilities

As at 31 December 2017

In thousands of Naira

	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities offset in the statement of financial position	Net amounts of financial assets presented in the statement of finan- cial position
The following financial assets are subject to offsetting			
Financial assets			
Loans and advances to banks	68,929,263	815,187	68,114,076
Total	68,929,263	815,187	68,114,076

As at 31 December 2017

Financial liabilities

Interest bearing borrowing	283,106,328	815,187	282,291,141
Total	283,106,328	815,187	282,291,141



As at 31 December 2016

In thousands of Naira

The following financial assets are subject to offsetting

	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities offset in the statement of financial position	Net amounts of financial assets presented in the statement of financial position
Financial assets			
Loans and advances to banks	45,954,156	751,154	45,203,002
Total	45,954,156	751,154	45,203,002

As at 31 December 2016

Financial liabilities

Interest bearing borrowing	300,294,861	751,154	299,543,707
Total	300,294,861	751,154	299,543,707

An obligation exists between the Bank and Access Finance B.V., for which Access Finance B.V. was expected to lend the Bank the sum of USD 2,462,000 as a share premium loan. The loan agreement between both parties however permits that the obligation of Access Finance B.V. to grant the loan, be set off against the obligation of the Bank to repay the loan such that each party's obligation either as a borrower or lender is discharged. In view of this, no loan payable has been recognized in the Bank's financial statements.

In line the IAS 32 with the group currently has the legally enforceable right to set-off the recognised amount and it also intends to settle the borrowing on a net basis.

The gross amounts of financial assets and financial liabilities disclosed in the above tables have been measured in the statement of financial position on the following bases:

- (1) Loans and advances to customers – amortised cost; and
- (2) Interest bearing borrowings – amortised cost.

Credit concentration

The Group's risk profile is assessed through a 'bottom-up' analytical approach covering all of the Group's major businesses and products. The risk appetite is approved by the Board and forms the basis for establishing the risk parameters within which the businesses must operate, including policies, concentration limits and business mix.

The Group monitors concentrations of credit risk by sector and by geographic location. An analysis of concentrations of net credit risk at the reporting date is shown below:

Group By Sector

December 2017

In thousands of Naira

	Corporate	Commercial	Bank	Retail	Government	Others	Total
Cash and balances with banks	-	-	953,894,399	-	-	-	953,894,399
Investment under management	11,643,650	-	6,283,077	-	2,330,403	-	20,257,131
Non pledged trading assets	-	-	-	-	-	-	-
Treasury bills	-	-	-	-	37,743,819	-	37,743,819
Bonds	-	8,497	19,464	-	9,031,525	-	9,059,486
Derivative financial instruments	3,560,997	11,689,840	8,108,304	-	125,038,574	-	148,397,715
Loans and advances to banks	-	-	68,114,076	-	-	-	68,114,076
Loans and advances to customers	-	-	-	-	-	-	-
Auto Loan	120,445	586,865	-	2,742,750	-	-	3,450,060
Credit Card	50,729	394,973	-	2,965,221	-	-	3,410,923
Finance Lease	655,638	2,744,831	-	1,240,840	792	-	4,642,101
Mortgage Loan	4,762,196	5,820,461	-	33,040,279	-	-	43,622,936
Overdraft	63,006,869	119,702,034	-	2,174,641	5,872	-	184,889,417
Personal Loan	-	-	-	17,137,946	-	-	17,137,946
Term Loan	460,239,059	519,238,682	-	7,066,329	252,696,580	-	1,239,240,650
Time Loan	249,173,054	249,535,770	-	884,769	-	-	499,593,593
Pledged assets	-	-	-	-	-	-	-
Treasury bills	-	-	-	-	258,672,815	-	258,672,815
Bonds	-	-	-	-	188,441,589	-	188,441,589
Investment securities	-	-	-	-	-	-	-
- Available for sale	-	-	-	-	-	-	-
Treasury bills	-	-	-	-	29,977,451	-	29,977,451





Bonds	912,890	-	3,316,197	-	23,837,207	26,013,074	54,079,368
- Held to Maturity							
Treasury bills	-	-	-	-	88,203,365	-	88,203,365
Bonds	2,675,972	-	-	-	33,914,611	-	36,590,582
Other assets	25,934,436	3,381,399	12,846,281	1,036,130	88,305	3,512,644	46,799,196
Total	822,735,935	913,103,352	1,052,581,798	68,288,905	1,049,982,907	29,525,718	3,936,218,618

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

Transaction related bonds and guarantees	249,278,494	118,106,528	-	3,507,974	-	-	370,892,995
Guaranteed facilities	41,064,509	123,932,728	-	6,004,872	-	-	171,002,109
Clean line facilities for letters of credit and other commitments	100,773,513	184,063,021	-	8,430,505	-	-	293,267,039
Future, swap and forward contracts	53,713,545	64,076,506	284,158,615	-	260,987,080	-	662,935,746
Total	444,830,061	490,178,783	284,158,615	17,943,351	260,987,080	-	1,498,097,889

Group

By Sector

December 2016

In thousands of Naira	Corporate	Commercial	Bank	Retail	Government	Others	Total
Cash and balances with banks	-	-	663,403,259	-	-	-	663,403,259
Investment under management	10,913,760	-	1,070,385	-	2,887,102	-	14,871,247
Non pledged trading assets	-	-	-	-	-	-	-
Treasury bills	-	-	-	-	34,381,635	-	34,381,635
Bonds	-	9,913	8,391	-	10,170,293	-	10,188,597
Derivative financial instruments	28,003,737	-	5,360,808	-	122,678,439	-	156,042,984
Loans and advances to banks	-	-	45,203,002	-	-	-	45,203,002
Loans and advances to customers	-	-	-	4,450,747	-	-	4,450,747
Auto Loan	-	-	-	-	-	-	-
Credit Card	27,496	12,500	-	3,939,240	-	-	3,979,235



Finance Lease	2,404,390	1,259,848	-	312,384	11,275	-	3,987,898
Mortgage Loan	5,323,073	416,377	-	24,431,400	49,707	-	30,220,557
Overdraft	47,606,024	120,886,294	-	6,758,959	38,428	-	175,289,705
Personal Loan	-	-	-	18,072,072	-	-	18,072,072
Term Loan	418,496,135	396,250,334	-	8,006,467	265,966,313	-	1,088,719,249
Time Loan	236,078,483	246,004,748	-	2,380,302	276,175	-	484,739,708
Pledged assets	-	-	-	-	-	-	-
Treasury bills	-	-	-	-	188,239,520	-	188,239,520
Bonds	-	-	-	-	126,707,982	-	126,707,982
Investment securities	-	-	-	-	-	-	-
- Available for sale	-	-	-	-	-	-	-
Treasury bills	-	-	-	-	69,346,601	-	69,346,601
Bonds	377,207.00	-	5,814,936	-	26,699,706	-	32,891,849
- Held to Maturity	-	-	-	-	-	-	-
Treasury bills	-	-	-	-	27,350,114	-	27,350,114
Bonds	3,036,929	-	1,032,857	-	37,031,227	-	41,101,013
Other assets	19,111,634	3,898,137	5,066,892	4,063,320	4,930,246	4,725,841	41,796,070
Total	771,378,871	768,738,151	726,960,529	72,414,891	916,764,763	4,725,841	3,226,601,409

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

Transaction related bonds and guarantees	136,220,145	48,419,939	1,611,634	-	-	-	186,251,718
Guaranteed facilities	85,363,987	14,068,722	150,000	-	-	-	99,582,710
Clean line facilities for letters of credit and other commitments	140,720,906	17,865,294	69,563,933	2,771,057	30,287,053	-	261,208,242
Future, swap and forward contracts	314,341,917	-	185,130,561	-	433,601,415	-	933,073,893
Total	676,646,955	80,353,955	256,456,128	2,771,057	463,888,468	-	1,480,116,563



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

By geography

Group					
December 2017	Nigeria	Rest of Africa	Europe	Others	Total
In thousands of Naira					
Cash and balances with banks	543,056,552	54,026,117	276,361,986	80,449,743	953,894,398
Investment under management	20,257,131	-	-	-	20,257,131
Non pledged trading assets					
Treasury bills	33,906,748	3,837,071	-	-	37,743,819
Bonds	9,050,894	-	-	-	9,050,894
Derivative financial instruments	91,071,217	1,029,074	265,547	1,053,455	93,419,293
Loans and advances to banks	1,293,590	-	66,820,486	-	68,114,076
Loans and advances to customers					
Auto Loan	3,243,530	206,530	-	-	3,450,060
Credit Card	3,263,598	147,029	-	-	3,410,627
Finance Lease	3,486,367	1,155,733	-	-	4,642,100
Mortgage Loan	4,162,867	359,036	39,100,026	-	43,621,930
Overdraft	142,060,909	42,199,850	-	-	184,260,759
Personal Loan	14,613,195	2,524,752	-	-	17,137,946
Term Loan	1,165,111,472	39,818,776	34,763,385	-	1,239,693,633
Time Loan	435,157,504	8,181,813	56,431,255	-	499,770,572
Pledged assets					
Treasury bills	252,061,738	6,611,077	-	-	258,672,815
Bonds	188,441,589	-	-	-	188,441,589
Investment securities					
- Available for sale					
Treasury bills	9,598,736	20,378,715	-	-	29,977,451
Bonds	28,066,294	16,017,820	-	9,995,254	54,079,368
- Held to Maturity					
Treasury bills	5,837,568	82,365,797	-	-	88,203,365
Bonds	7,051,660	2,065,195	-	27,473,727	36,590,582
Other assets	31,813,828	14,868,165	-	117,203	46,799,196
Total	2,992,606,986	295,792,550	473,742,685	119,089,382	3,881,231,605



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

Transaction related bonds and guarantees	225,158,636	45,991,882	37,719,900	62,022,577	370,892,995
Guaranteed facilities	81,335,619	9,074,661	70,737,891	9,853,938	171,002,109
Clean line facilities for letters of credit and other commitments	200,918,665	47,189,190	27,083,771	18,075,413	293,267,039
Future, swap and forward contracts	335,204,211	44,259,738	42,048,747	241,423,049	662,935,746
Total	842,617,131	146,515,471	177,590,309	331,374,977	1,498,097,889



By geography

Group					
December 2016	Nigeria	Rest of Africa	Europe	Others	Total
In thousands of Naira					
Cash and balances with banks	415,235,668	47,170,554	200,997,037	-	663,403,258
Investment under management	14,871,247	-	-	-	14,871,247
Non pledged trading assets					
Treasury bills	34,381,635	-	-	-	34,381,635
Bonds	10,170,293	-	18,304	-	10,188,597
Derivative financial instruments	149,856,253	1,388,281	97,119	4,701,331	156,042,983
Loans and advances to banks	5,156,475	-	40,046,527	-	45,203,002
Loans and advances to customers					
Auto Loan	4,366,544	84,204	-	-	4,450,748
Credit Card	3,935,784	43,450	-	-	3,979,235
Finance Lease	3,987,898	-	-	-	3,987,898
Mortgage Loan	4,996,952	918,895	24,304,711	-	30,220,557
Overdraft	130,272,256	45,017,450	-	-	175,289,705
Personal Loan	16,789,104	1,282,968	-	-	18,072,072
Term Loan	1,017,646,255	48,440,037	22,632,958	-	1,088,719,249
Time Loan	412,567,554	28,556,750	43,615,404	-	484,739,708
Pledged assets					
Treasury bills	188,239,520	-	-	-	188,239,520
Bonds	126,707,982	-	-	-	126,707,982
Investment securities					
- Available for sale					
Treasury bills	40,960,665	6,092,117	22,293,819	-	69,346,602
Bonds	18,939,219	13,297,546	655,084	-	32,891,849
- Held to Maturity					
Treasury bills	-	27,350,114	-	-	27,350,114
Bonds	37,917,493	737,963	2,445,558	-	41,101,014
Other assets	32,437,346	7,685,644	1,673,078	-	41,796,067
Total	2,669,436,141	228,065,973	358,779,599	4,701,331	3,260,983,045

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

Transaction related bonds and guarantees	136,163,848	48,420,025	1,667,845	-	186,251,718
Guaranteed facilities	85,513,821	14,068,888	-	-	99,582,709
Clean line facilities for letters of credit and other commitments	158,994,793	16,950,311	85,263,139	-	261,208,243
Future, swap and forward contracts	744,259,779	33,663,881	128,787,677	26,362,557	933,073,893
Total	1,124,932,241	113,103,105	215,718,659	26,362,557	1,480,116,564

Credit risk management

5.1.5 (b) By Sector

Bank

December 2017

In thousands of Naira

	Corporate	Commercial	Bank	Retail	Government	Others	Total
Cash and balances with banks	-	-	657,105,625	-	-	-	657,105,625
Investment under management	11,643,650	-	6,283,077	-	2,330,404	-	20,257,131
Non pledged trading assets	-	-	-	-	-	-	-
Treasury bills	-	-	-	-	33,906,748	-	33,906,748
Bonds	19,369	-	-	-	9,031,525	-	9,050,894
Derivative financial instruments	821,635	-	1,332,133	-	90,236,451	-	92,390,219
Loans and advances to banks	-	-	101,429,001	-	-	-	101,429,001
Loans and advances to customers							
Auto Loan	120,445	586,865	-	2,536,221	-	-	3,243,530
Credit Card	35,402	376,240	-	2,851,956	-	-	3,263,598
Finance Lease	655,638	2,744,831	-	85,107	792	-	3,486,368
Mortgage Loan	-	-	-	4,162,867	-	-	4,162,867
Overdraft	43,791,210	96,216,229	-	2,047,597	5,872	-	142,060,909
Personal Loan	-	-	-	14,613,195	-	-	14,613,195
Term Loan	428,695,546	480,687,418	-	3,033,846	252,694,662	-	1,165,111,472
Time Loan	220,301,312	214,248,083	-	791,406	-	-	435,340,801
Pledged assets							
Treasury bills	-	-	-	-	252,061,738	-	252,061,738
Bonds	-	-	-	-	188,441,589	-	188,441,589
Investment securities							
Available for sale							
Treasury bills	-	-	-	-	9,598,737	-	9,598,737
Bonds	912,890	-	3,316,197	-	23,837,207	-	28,066,294
Held to Maturity							
Treasury bills	-	-	-	-	5,837,568	-	5,837,568





Bonds	2,675,972	-	-	-	6,440,883	-	9,116,855
Other assets	25,934,436	3,381,399	564,600	1,036,130	88,305	3,512,644	34,517,514
Total	735,607,505	798,241,063	770,030,633	31,158,325	874,512,481	3,512,644	3,213,062,653

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

Transaction related bonds and guarantees	139,549,299	85,144,234	-	465,103	-	-	225,158,637
Guaranteed facilities	37,159,996	39,919,139	-	4,256,484	-	-	81,335,619
Clean line facilities for letters of credit and other commitments	41,018,285	151,469,875	-	8,430,505	-	-	200,918,665
Future, swap and forward contracts	44,362,157	64,076,506	284,158,615	-	232,112,414	-	624,709,692
Total	262,089,738	340,609,754	284,158,615	13,152,092	232,112,414	-	1,132,122,613

By Sector

Bank

December 2016

In thousands of Naira

	Corporate	Commercial	Bank	Retail	Government	Others	Total
Cash and balances with banks	-	-	480,395,147	-	-	-	480,395,147
Investment under management	10,913,760	-	1,070,385	-	2,887,102	-	14,871,247
Non pledged trading assets	-	-	-	-	-	-	-
Treasury bills	-	-	-	-	34,381,635	-	34,381,635
Bonds	-	9,913	8,391	-	10,170,293	-	10,188,597
Derivative financial instruments	28,003,737	-	5,360,808	-	122,408,117	-	155,772,662
Loans and advances to banks	-	-	104,006,574	-	-	-	104,006,574
Loans and advances to customers	-	-	-	-	-	-	-
Auto Loan	-	-	-	4,366,544	-	-	4,366,544
Credit Card	26,799	-	-	3,895,578	-	-	3,922,377
Finance Lease	2,404,390	1,259,848	-	312,384	11,275	-	3,987,898
Mortgage Loan	-	18,242	-	4,978,710	-	-	4,996,952
Overdraft	19,595,999	104,350,992	-	6,318,069	20,603	-	130,285,663
Personal Loan	-	-	-	16,789,104	-	-	16,789,104
Term Loan	371,285,015	375,350,466	-	5,193,606	265,837,168	-	1,017,646,255



Time Loan	176,512,323	235,178,172	-	669,550	207,509	-	412,567,554
Pledged assets							
Treasury bills	-	-	-	-	188,239,520	-	188,239,520
Bonds	-	-	-	-	126,707,982	-	126,707,982
Investment securities							
Available for sale							
Treasury bills	-	-	-	-	40,960,665	-	40,960,665
Bonds	377,207	-	5,814,936	-	15,507,737	-	21,699,880
Held to Maturity							
Treasury bills	-	-	-	-	-	-	-
Bonds	3,036,929	-	1,032,857	-	36,293,265	-	40,363,051
Other assets	17,580,637	1,895,503	1,426,691	3,706,154	4,430,246	4,225,841	33,265,072
Total	629,736,796	718,043,136	599,115,791	46,229,698	848,063,115	4,225,841	2,845,414,376

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

Transaction related bonds and guarantees	136,163,848	-	-	-	-	-	136,163,847
Guaranteed facilities	85,363,821	-	150,000	-	-	-	85,513,821
Clean line facilities for letters of credit and other commitments	128,707,741	-	-	-	30,287,053	-	158,994,793
Future, swap and forward contracts	314,341,917	-	152,493,026	-	433,601,415	-	900,436,358
Total	664,577,326	-	152,643,026	-	463,888,468	-	1,281,108,819



By geography	Nigeria	Rest of Africa	Europe	Others	Total
Bank					
December 2017					
In thousands of Naira					
Cash and balances with banks	543,056,552	627,395	76,516,219	36,944,081	657,144,247
Investment under management	20,257,131	-	-	-	20,257,131
Non pledged trading assets					
Treasury bills	33,906,748	-	-	-	33,906,748
Bonds	9,050,894	-	-	-	9,050,894
Derivative financial instruments	91,071,217	-	265,547	1,053,455	92,390,219
Loans and advances to banks	1,295,927	-	100,133,074	-	101,429,001
Loans and advances to customers					
Auto Loan	3,243,530	-	-	-	3,243,530
Credit Card	3,263,598	-	-	-	3,263,598
Finance Lease	3,486,368	-	-	-	3,486,368
Mortgage Loan	4,162,867	-	-	-	4,162,867
Overdraft	142,060,909	-	-	-	142,060,909
Personal Loan	14,613,195	-	-	-	14,613,195
Term Loan	1,165,111,472	-	-	-	1,165,111,472
Time Loan	435,340,801	-	-	-	435,340,801
Pledged assets					
Treasury bills	252,061,738	-	-	-	252,061,738
Bonds	188,441,589	-	-	-	188,441,589
Investment securities					
Available for sale					
Treasury bills	9,598,736	-	-	-	9,598,737
Bonds	28,066,294	-	-	-	28,066,294
Held to Maturity					
Treasury bills	5,837,568	-	-	-	5,837,568
Bonds	7,051,660	2,065,195	-	-	9,116,855
Other assets	33,126,539	1,273,772	-	117,203	34,517,514
Total	2,994,105,333	3,966,362	176,914,840	38,114,740	3,213,101,275



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

Transaction related bonds and guarantees	225,158,636	-	-	-	225,158,636
Guaranteed facilities	81,335,619	-	-	-	81,335,619
Clean line facilities for letters of credit and other commitments	200,918,665	-	-	-	200,918,665
Future, swap and forward contracts	335,204,211	44,259,738	3,822,694	241,423,049	624,709,693
Total	842,617,132	44,259,738	3,822,694	241,423,049	1,132,122,613

By geography

Bank	Nigeria	Rest of Africa	Europe	Others	Total
December 2016					
In thousands of Naira					
Cash and balances with banks	415,235,668	-	65,159,480	-	480,395,148
Investment under management	14,871,247	-	-	-	14,871,247
Non pledged trading assets					
Treasury bills	34,381,635	-	-	-	34,381,635
Bonds	10,170,293	-	18,304	-	10,188,597
Derivative financial instruments	149,856,253	1,117,959	97,119	4,701,331	155,772,662
Loans and advances to banks	5,156,475	-	98,850,099	-	104,006,574
Loans and advances to customers					
Auto Loan	4,366,544	-	-	-	4,366,544
Credit Card	3,922,377	-	-	-	3,922,377
Finance Lease	3,987,898	-	-	-	3,987,898
Mortgage Loan	4,996,952	-	-	-	4,996,952
Overdraft	130,285,663	-	-	-	130,285,663
Personal Loan	16,789,104	-	-	-	16,789,104
Term Loan	1,017,646,255	-	-	-	1,017,646,255



Time Loan	412,567,554	-	-	-	412,567,554
Pledged assets					
Treasury bills	188,239,520	-	-	-	188,239,520
Bonds	126,707,982	-	-	-	126,707,982
Investment securities					
Available for sale					
Treasury bills	40,960,665	-	-	-	40,960,665
Bonds	18,939,219	-	2,760,661	-	21,699,880
Held to Maturity					
Treasury bills	-	-	-	-	-
Bonds	37,917,493	-	2,445,558	-	40,363,051
Other assets	32,437,346	808,611	19,115	-	33,265,072
Total	2,669,436,141	1,926,570	169,350,336	4,701,331	2,845,414,378

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

Transaction related bonds and guarantees	136,163,848	-	-	-	136,163,848
Guaranteed facilities	85,513,821	-	-	-	85,513,821
Clean line facilities for letters of credit and other commitments	158,994,793	-	-	-	158,994,793
Future, swap and forward contracts	744,259,779	32,748,881	97,065,142	26,362,557	900,436,358
Total	1,124,932,240	32,748,881	97,065,142	26,362,557	1,281,108,820



5.2.1

A summary of the Group's interest rate gap position on financial instruments is as follows:

Group	Re-pricing year						Total
	Less than 3 months	4 - 6 months	7 - 12 months	1 - 5 years	More than 5 years	Non-Interest bearing	
In thousands of Naira							
31 December 2017							
Non-derivative assets							
Cash and balances with banks	261,805,783	-	-	-	-	692,138,393	953,944,176
Investment under management	20,257,131	-	-	-	-	-	20,257,131
Non pledged trading assets							
Treasury bills	5,704,968	11,234,566	20,804,285	-	-	-	37,743,819
Bonds	8,986	-	-	611,845	8,430,064	-	9,050,894
Loans and advances to banks	26,525,825	26,256,691	8,224,312	7,107,248	-	-	68,114,076
Loans and advances to customers							
Auto Loan	116,269	95,730	196,956	3,041,105	-	-	3,450,060
Credit Card	3,123,914	80,568	119,767	86,674	-	-	3,410,923
Finance Lease	362,195	349,077	442,929	3,487,899	-	-	4,642,100
Mortgage Loan	8,286,897	10,260,466	11,048,819	10,967,049	3,059,705	-	43,622,936
Overdraft	126,674,409	21,382,195	36,832,811	-	-	-	184,889,415
Personal Loan	1,725,515	957,406	2,966,665	11,424,561	63,800	-	17,137,947
Term Loan	37,030,911	46,634,948	68,506,819	503,572,022	583,495,950	-	1,239,240,650
Time Loan	232,550,547	128,971,685	115,415,256	22,656,108	-	-	499,593,596
Pledged assets							
Treasury bills	118,193,104	67,658,924	72,820,788	-	-	-	258,672,815
Bonds	-	20,724,258	-	31,622,727	136,094,604	-	188,441,589
Investment securities							
- Available for sale							
Treasury bills	3,967,666	3,892,918	22,116,867	-	-	-	29,977,451
Bonds	-	-	28,634,329	8,099,475	17,345,564	-	54,079,368
- Held to Maturity							
Treasury bills	1,277,269	56,109,691	29,993,308	823,097	-	-	88,203,365
Bonds	1,040,216	1,341,861	24,307,671	9,137,827	763,007	-	36,590,582



Other assets

- - - - 46,799,196 46,799,196

848,651,605 395,950,983 442,431,584 612,637,637 749,252,693 738,937,589 3,787,862,089

Non-derivative liabilities

Deposits from financial institutions 176,015,647 216,644,358 57,536,965 - - 450,196,970

Deposits from customers 1,926,536,624 134,890,825 53,550,146 60,911,025 6,156,835 2,244,879,075

Other liabilities - - - 618,785 - 235,167,694

Debt securities issued 17,193,034 24,501,603 29,028,152 231,383,918 - 302,106,706

Interest bearing borrowings - 2,625,903 76,614,381 232,376,902 - 311,617,187

Total interest re-pricing gap (1,271,093,699) 17,288,294 225,701,939 87,347,007 743,095,858 440,936,275 243,275,672

Group

Re-pricing year

In thousands of Naira

31 December 2016

Non-derivative assets

Cash and balances with banks 118,063,803 1,762,209 - - - 713,889,105

Investment under management 14,871,247 - - - - 14,871,247

Non pledged trading assets

Treasury bills 7,104,931 8,132,475 19,144,229 - - 34,381,635

Bonds - - 1,993 - - 10,247,944

Loans and advances to banks 35,976,130 7,477,605 224,438 1,508 - 45,203,002

Loans and advances to customers

Auto Loan 48,036 140,524 285,619 3,722,834 253,735 4,450,748

Credit Card 3,857,163 187 16,538 105,348 - 3,979,235

Finance Lease 196,694 9,501 166,902 3,614,801 - 3,987,898

Mortgage Loan 24,310,113 759 39,255 1,195,811 4,674,619 30,220,557

Overdraft 104,827,946 8,168,255 61,356,628 936,877 - 175,289,705

Personal Loan 273,440 162,550 1,426,014 15,957,194 252,875 18,072,071

Term Loan 30,863,690 14,132,484 16,004,301 454,903,302 572,815,472 1,088,719,250



Time Loan	257,669,712	58,309,804	99,697,734	69,062,457	-	-	484,739,708
Pledged assets							
Treasury bills	39,049,250	67,819,721	81,370,550	-	-	-	188,239,521
Bonds	-	3,541,654	8,215,582	22,140,686	92,810,059	-	126,707,982
Investment securities - Available for sale							
Treasury bills	24,469,054	10,305,106	34,572,441	-	-	-	69,346,601
Bonds	-	5,537,388	-	8,923,273	18,431,188	-	32,891,849
- Held to Maturity							
Treasury bills	8,342,441	8,638,753	10,368,919	-	-	-	27,350,114
Bonds	-	88,654	2,302,702	7,555,286	31,154,372	-	41,101,014
Other assets	-	-	-	-	-	41,796,068	41,796,068
	669,923,650	194,227,630	336,492,727	598,588,257	720,393,828	635,859,162	3,155,485,254
Non-derivative liabilities							
Deposits from financial institutions	151,001,693	69,658	16,285,233	-	-	-	167,356,583
Deposits from customers	1,910,193,499	41,569,864	52,508,124	8,390,090	-	76,535,709	2,089,197,286
Other liabilities	-	-	-	-	-	111,117,648	111,117,648
Debt securities issued	7,624,982	3,802,546	92,736,609	212,380,366	-	-	316,544,502
Interest bearing borrowings	-	2,057,477	60,029,752	219,372,282	-	18,084,196	299,543,707
	2,068,820,173	47,499,545	221,559,718	440,142,738	-	205,737,553	2,983,759,725
Total interest re-pricing gap	(1,398,896,524)	146,728,086	114,933,009	158,445,519	720,593,828	430,121,608	171,725,529

5.2.1 A summary of the Bank's interest rate gap position on non-trading portfolios is as follows:

Bank	Re-pricing year					Total
	Less than 3 months	4 - 6 months	7 - 12 months	1 - 5 years	More than 5 years	
In thousands of Naira 31 December 2017						
Non-derivative assets						
Cash and balances with banks	28,157,562	-	-	-	-	628,986,685
Investment under management	20,257,131	-	-	-	-	20,257,131



Non - pledged trading assets

Treasury bills	5,704,968	7,397,495	20,804,285	-	-	33,906,748
Bonds	8,986	-	-	552,496	8,489,412	9,050,894
Loans and advances to banks	26,504,666	25,088,937	49,835,397	-	-	101,429,001
Loans and advances to customers						
Auto Loan	66,702	42,032	141,193	2,993,603	-	3,243,530
Credit Card	3,095,922	36,371	90,302	41,003	-	3,263,598
Finance Lease	107,934	60,144	107,766	3,210,523	-	3,486,368
Mortgage Loan	282	848	-	1,102,032	3,059,705	4,162,867
Overdraft	108,258,151	7,248,788	26,553,969	-	-	142,060,909
Personal Loan	1,271,060	275,723	2,007,259	10,995,353	63,800	14,613,195
Term Loan	22,946,367	22,913,611	49,974,525	485,781,019	583,495,950	1,165,111,472
Time Loan	211,163,826	114,193,542	94,854,362	14,945,773	-	435,340,800
Pledged assets						
Treasury bills	118,193,104	61,047,847	72,820,787	-	-	252,061,738
Bonds	-	20,724,258	-	31,622,727	136,094,604	188,441,589
Investment securities						
- Available for sale						
Treasury bills	3,967,666	3,892,918	1,738,153	-	-	9,598,737
Bonds	-	-	4,307	10,716,424	17,345,563	28,066,294
- Held to Maturity						
Treasury bills	-	-	5,837,568	-	-	5,837,568
Bonds	1,040,216	1,341,861	214,995	5,756,776	763,007	9,116,855
Other assets	-	-	-	-	-	33,943,303
	550,927,840	264,264,378	324,984,869	567,717,730	749,312,039	3,119,953,548
Non-derivative liabilities						
Deposits from financial institutions	233,303,608	31,090,132	11,747,095	-	-	276,140,835
Deposits from customers	1,797,936,589	95,276,386	17,481,020	79,718	-	1,910,773,713
Other liabilities	-	-	-	-	223,963,436	223,963,436
Debt securities	17,193,034	24,501,603	29,236,738	231,175,331	-	302,106,706
Interest bearing borrowings	-	2,625,904	67,196,160	212,469,076	-	282,291,141
	2,048,433,231	153,494,025	125,661,013	443,724,125	-	2,995,275,831
Total interest re-pricing gap	(1,497,688,687)	110,770,353	199,323,856	123,993,605	749,312,039	438,966,552



Bank	Re-pricing year						Total
	Less than 3 months	4 - 6 months	7 - 12 months	1 - 5 years	More than 5 years	Non-Interest bearing	
In thousands of Naira							
31 December 2016							
Non-derivative assets							
Cash and balances with banks	41,798,197	-	-	-	-	476,199,052	517,997,249
Investment under management	14,871,247	-	-	-	-	-	14,871,247
Non - pledged trading assets							
Treasury bills	7,104,931	8,132,475	19,144,229	-	-	-	34,381,635
Bonds	-	-	1,993	10,186,604	-	-	10,188,597
Loans and advances to banks	100,956	-	80,850,522	23,055,096	-	-	104,006,574
Loans and advances to customers							
Auto Loan	44,538	140,498	278,421	3,649,349	253,737	-	4,366,544
Credit Card	3,787,028	187	16,538	118,623	-	-	3,922,376
Finance Lease	196,694	9,501	166,902	3,614,801	-	-	3,987,898
Mortgage Loan	4,996	353	38,443	1,156,744	3,796,416	-	4,996,952
Overdraft	102,563,620	8,168,255	19,374,316	179,472	-	-	130,285,663
Personal Loan	266,532	159,842	860,207	15,477,175	25,348	-	16,789,104
Term Loan	8,752,512	13,988,889	15,750,168	409,300,808	569,853,878	-	1,017,646,255
Time Loan	240,757,770	50,689,184	52,089,014	69,031,586	-	-	412,567,553
Pledged assets							
Treasury bills	39,049,250	67,819,721	81,370,550	-	-	-	188,239,521
Bonds	-	3,541,654	8,215,582	22,140,686	92,810,060	-	126,707,983
Investment securities							
- Available for sale							
Treasury bills	2,154,121	9,021,856	29,784,689	-	-	-	40,960,665
Bonds	-	4,009,824	-	3,650,527	14,039,528	-	21,699,879
- Held to Maturity							
Treasury bills	-	-	-	-	-	-	-
Bonds	-	66,554	2,132,702	7,323,605	30,840,190	-	40,363,051



Other assets	-	-	-	-	-	33,265,072	33,265,072
	461,452,391	165,748,794	310,074,275	568,885,078	711,619,156	509,464,124	2,727,243,818
Non-derivative liabilities							
Deposits from financial institutions	85,753,842	39,901	9,328,445	-	-	-	95,122,188
Deposits from customers	1,657,794,162	36,053,247	45,539,922	7,276,665	-	66,378,876	1,813,042,872
Other liabilities	-	-	-	-	-	105,287,724	105,287,724
Debt securities	7,624,982	3,802,546	20,144,524	212,380,366	-	-	243,952,418
Interest bearing borrowings	2,557,609	58,694,740	9,724,633	285,275,751	-	15,927,053	372,179,785
	1,753,730,595	98,590,434	84,737,524	504,932,782	-	187,593,653	2,629,584,987
Total interest re-pricing gap	(1,292,278,204)	67,158,360	225,336,751	63,952,296	711,619,156	321,870,471	97,658,832



Market risk management

The Group trades on bonds, treasury bills and foreign currency. Market risk in trading portfolios is monitored and controlled using tools such as position limits, value at risk and present value of an assumed basis points change in yields or exchange rates coupled with concentration limits. The major measurement technique used to measure and control market risk is outlined below.

5.2.2 Value at risk (VAR)

The Group applies a 'value at risk' (VaR) methodology to its trading portfolios at a group level to estimate the market risk of positions held and the maximum losses expected, based upon a number of assumptions for various changes in market conditions. The Board sets limits on the value of risk that may be accepted for the Group, which are monitored on a daily basis by Market Risk Unit. Interest rate risk in the non-trading book is measured through the use of interest rate repricing gap analysis (Note 5.2.1).

VaR is a statistically based estimate of the potential loss on the current portfolio from adverse market movements. It expresses the 'maximum' amount the Group might lose, but only to a certain level of confidence (99%). There is therefore a specified statistical probability (1%) that actual loss could be greater than the VaR estimate. Value-at-risk estimates the potential maximum decline in the value of a position or portfolio, under normal market conditions, over a one-day holding year. It also assumes that market moves occurring over this holding year will follow a similar pattern. The Group applies these historical changes in rates, prices, etc. directly to its current positions - a method known as historical simulation. Actual outcomes are monitored regularly to test the validity of the assumptions and parameters/ factors used in the VaR calculation.

The Access Bank value-at-risk method incorporates the factor sensitivities of the trading portfolio, the volatilities and correlations of the market risk factors. The group uses the variance covariance method which derives likely future changes in market value from historical market volatility. Value at risks is estimated on the basis of exposures outstanding at the close of business and therefore might not factor in the intra-day exposures. However, the bank does not only base its risk estimates on Value at Risk, it uses Stress tests to provide an indication of the potential size of losses that could arise in extreme conditions by applying a what-if analysis to further complement it. The results of the stress tests are reviewed by senior management in each business unit and by the Board of Directors.

The trading book is made up of foreign currency, Bonds and Treasury bills instruments. The value at Risk of the trading book is as stated:

Group VAR by risk type In thousands of Naira	December 2017			
	Average	High	Low	Actual
Foreign exchange risk	678,320	2,352,213	17,806	652,213
Interest rate risk	434,481	1,379,604	190,525	309,754
Total	1,112,801	3,731,817	208,331	961,967

Group	December 2016			
	Average	High	Low	Actual
Foreign exchange risk	20,455	201,816	154	12,050
Interest rate risk	564,918	1,492,932	84,051	393,917
Total	585,373	1,694,748	84,205	405,967



Bank VAR by risk type

In thousands of Naira

	December 2017			Actual
	Average	High	Low	
Foreign exchange risk	620,677	2,274,938	17,391	631,477
Interest rate risk	334,481	1,379,604	190,525	309,754
Total	955,158	3,654,542	207,916	941,231

Bank

	December 2016			Actual
	Average	High	Low	
Foreign exchange risk	19,275	198,717	31	11,309
Interest rate risk	564,918	1,492,932	84,051	393,917
Total	584,193	1,691,649	84,082	405,226

The table below sets out information on the exposure to fixed and variable interest instruments.

Exposure to fixed and variable interest rate risk

Group

In thousands of Naira

31 December 2017	Fixed	Floating	Non-interest bearing	Total
	N'000	N'000	N'000	N'000
ASSETS				
Cash and balances with banks	261,805,783	-	692,138,393	953,944,176
Non pledged trading assets	46,794,713	-	59,348	46,854,061
Derivative financial instruments	-	-	93,419,293	93,419,293
Loans and advances to banks	68,114,076	-	-	68,114,076
Loans and advances to customers	27,256,401	1,968,731,226	-	1,995,987,627
Pledged assets	447,114,404	-	-	447,114,404
Investment securities:				
– Available-for-sale	84,056,819	-	69,316,991	153,373,810
– Held-to-maturity	124,793,947	-	-	124,793,947
TOTAL	1,059,936,143	1,968,731,226	854,934,025	3,883,601,394
LIABILITIES				
Deposits from financial institutions	450,196,970	-	-	450,196,970
Deposits from customers	1,172,733,890	1,072,145,186	-	2,244,879,076
Derivative financial instruments	-	-	5,332,177	5,332,177
Debt securities issued	302,106,706	-	-	302,106,706
Interest-bearing borrowings	267,572,158	44,045,029	-	311,617,187
TOTAL	2,192,609,724	1,116,190,215	5,332,177	3,314,132,116



31 December 2016	Fixed	Floating	Non-interest bearing	Total
ASSETS	N'000	N'000	N'000	N'000
Cash and balances with banks	119,826,012	-	594,063,093	713,889,105
Non pledged trading assets	44,570,231	-	59,348	44,629,579
Derivative financial instruments	-	-	156,042,984	156,042,984
Loans and advances to banks	45,203,002	-	-	45,203,002
Loans and advances to customers	4,891,994	1,804,567,178	-	1,809,459,172
Pledged assets	314,947,502	-	-	314,947,502
Investment securities:				
– Available-for-sale	102,238,450	-	58,424,194	160,662,644
– Held-to-maturity	68,451,128	-	-	68,451,128
TOTAL	700,128,319	1,804,567,178	808,589,619	3,313,285,118

LIABILITIES				
Deposits from financial institutions	167,356,583	-	-	167,356,583
Deposits from customers	925,976,555	1,163,220,731	-	2,089,197,286
Derivative financial instruments	-	-	30,444,501	30,444,501
Debt securities issued	195,907,812	120,636,690	-	316,544,502
Interest-bearing borrowings	254,868,576	44,675,131	-	299,543,707
TOTAL	1,544,109,526	1,328,532,552	30,444,501	2,903,086,578

Bank

31 December 2017	Fixed	Floating	Non-interest bearing	Total
ASSETS	N'000	N'000	N'000	N'000
Cash and balances with banks	28,157,562	-	628,986,685	657,144,247
Non pledged trading assets	42,957,641	-	59,348	43,016,989
Derivative financial instruments	-	-	92,390,219	92,390,219
Loans and advances to banks	101,429,001	-	-	101,429,001
Loans and advances to customers	29,616,824	1,741,665,915	-	1,771,282,739
Pledged assets	440,503,327	-	-	440,503,327
Investment securities:				
– Available-for-sale	37,665,030	-	68,917,849	106,582,880
– Held-to-maturity	14,954,423	-	-	14,954,423
TOTAL	695,283,808	1,741,665,915	790,354,101	3,227,303,824

LIABILITIES				
Deposits from financial institutions	276,140,835	-	-	276,140,835
Deposits from customers	1,035,810,196	874,963,517	-	1,910,773,713
Derivative financial instruments	-	-	5,306,450	5,306,450
Debt securities issued	302,106,706	-	-	302,106,706
Interest-bearing borrowings	246,837,492	35,453,649	-	282,291,141
TOTAL	1,860,895,229	910,417,166	5,306,450	2,776,618,845



31 December 2016	Fixed	Floating	Non-interest bearing	Total
ASSETS	N'000	N'000	N'000	N'000
Cash and balances with banks	41,798,197	-	476,199,052	517,997,249
Non pledged trading assets	44,570,231	-	59,348	44,629,579
Derivative financial instruments	-	-	155,772,662	155,772,662
Loans and advances to banks	104,006,574	-	-	104,006,574
Loans and advances to customers	4,374,708	1,590,187,637	-	1,594,562,345
Pledged assets	314,947,502	-	-	314,947,502
Investment securities:				
– Available-for-sale	62,660,545	-	58,177,045	120,837,590
– Held-to-maturity	40,363,051	-	-	40,363,051
TOTAL	612,720,808	1,590,187,637	690,208,107	2,893,116,553
LIABILITIES				
Deposits from financial institutions	95,122,188	-	-	95,122,188
Deposits from customers	799,495,575	1,013,547,297	-	1,813,042,872
Derivative financial instruments	-	-	30,275,181	30,275,181
Debt securities issued	123,315,728	120,636,690	-	243,952,418
Interest-bearing borrowings	327,504,654	44,675,131	-	372,179,785
TOTAL	1,345,438,145	1,178,859,118	30,275,181	2,554,572,444

Derivative financial instruments include elements of interest rate differential between the applicable underlying currencies. Further details on the fair value of derivatives have been discussed in Note 3.9(J) of the financial statement.

Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce losses in the event that unexpected movements arise. The Board sets limits on the level of mismatch of interest rate repricing (note 5.2.1) and value at risk (note 5.2.2) that may be undertaken, which is monitored daily by Group Treasury.

Cash flow and fair value interest rate risk

The group's interest rate risk arises from risk assets, long-term borrowings, deposits from banks and customers. Borrowings issued at variable rates expose the group to cash flow interest rate risk. Other financial liabilities issued at fixed rates expose the group to fair value interest rate risk.

The management of interest rate risk against interest rate gap limits is supplemented with monitoring the sensitivity of the Group's financial assets and liabilities to various scenarios.

Interest rate movement have both cash flow and fair value effect depending on whether interest rate is fixed or floating. The impact resulting from adverse or favourable movement flows from either retained earnings or OCI and ultimately ends in equity in the following manner:

(i) Retained earnings arising from increase or decrease in net interest income and the fair value changes reported in profit or loss.



(ii) Fair value reserves arising from increases or decreases in fair value of available-for-sale financial instruments reported directly in other comprehensive income.

Group

Interest sensitivity analysis - 31 December 2017

Impact on net interest income of +/-100 basis points changes in rates over a one year year (N'000)

Time Band	Cashflow interest rate risk	
	100 basis points decline in rates	100 basis points increase in rates
Less than 3 months	(266,110)	266,110
6 months	105,710	(105,710)
12 months	2,338,170	(2,338,170)
	2,177,770	(2,177,770)

Interest sensitivity analysis - 31 December 2016

Impact on net interest income of +/-100 basis points changes in rates over a one year year (N'000)

Time Band	Cashflow interest rate risk	
	100 basis points decline in rates	100 basis points increase in rates
Less than 3 months	(71,335)	71,335
6 months	(1,868,207)	1,868,207
12 months	(1,967,752)	1,967,752
	(3,907,294)	3,907,294

Bank

Interest sensitivity analysis - 31 December 2017

Impact on net interest income of +/-100 basis points changes in rates over a one year year (N'000)

Time Band	Cashflow interest rate risk	
	100 basis points decline in rates	100 basis points increase in rates
Less than 3 months	(266,110)	266,110
6 months	105,710	(105,710)
12 months	2,338,170	(2,338,170)
	2,177,770	(2,177,770)

Interest sensitivity analysis - 31 December 2016



Impact on net interest income of +/-100 basis points changes in rates over a one year year (N'000)

Time Band	Cashflow interest rate risk	
	100 basis points decline in rates	100 basis points increase in rates
Less than 3 months	(67,938)	67,938
6 months	(1,612,292)	1,612,292
12 months	(1,805,538)	1,805,538
	(3,485,768)	3,485,768

The table above sets out the impact on net interest income of a 100 basis points parallel fall or rise in all yields. A parallel increase in yields by 100 basis points would lead to an increase in net interest income while a parallel fall in yields by 100 basis points would lead to a decline in net interest income. The interest rate sensitivities are based on simplified scenarios and assumptions, including that all positions will be retained and rolled over upon maturity. The figures represent the effect of movements in net interest income based on the 100 basis point shift in interest rate and subject to the current interest rate exposures. However, the effect has not taken into account the possible risk management measures undertaken by the Bank to mitigate interest rate risk. In practice, the Assets and Liability Committee, ALCO seeks proactively to change the interest rate risk profile to minimize losses and optimise net revenues. The projections also assume that interest rates on various maturities will move within similar ranges, and therefore do not reflect any potential effect on net interest income in the event that some interest rates may change and others remain unchanged.

Price sensitivity analysis on bonds and treasury bills

The table below shows the impact of likely movement in yields on the value of bonds and treasury bills. This relates to the positions held for trade and available for sale. Since an increase in yields would lead to decline in market values of bonds and treasury bills, the analysis was carried out to show the likely impact of 50 and 100 basis points increase in market yields. The impact of held for trading investments is on the income statement while the impact of available for sale instruments is on the statement of other comprehensive income.

Group	Carrying Value	Impact of 50 basis points increase in yields	Impact of 100 basis points increase in yields
31 December 2017			
<i>Impact on Statement of Comprehensive</i>			
Held for trading Bonds	9,050,894	(2,123)	(3,313)
Held for trading T-bills	37,743,819	(8,374)	(16,748)
Pledged assets: Bonds	188,441,589	(118,783)	(185,378)
Pledged assets: T-bills	258,672,815	(124,203)	(248,405)
	493,909,117	(253,483)	(453,844)
<i>Impact on Other Comprehensive Income</i>			
Available for sale investments	84,056,819	(1,359,839)	(2,260,317)
TOTAL	557,965,936	(1,613,322)	(2,714,161)



31 December 2016	Carrying Value	Impact of 50 basis points increase in yields	Impact of 100 basis points increase in yields
<i>Impact on Statement of Comprehensive</i>			
Held for trading Bonds	10,188,597	(165,377)	(327,492)
Held for trading T-bills	34,381,635	(103,935)	(207,868)
Pledged assets: T-bills	104,560,978	(318,783)	(637,563)
	149,131,210	(588,095)	(1,172,924)
<i>Impact on Other Comprehensive Income</i>			
Available for sale investments	96,046,306	(859,399)	(1,742,610)
TOTAL	245,177,516	(1,447,494)	(2,915,534)

Bank			
31 December 2017	Carrying Value	Impact of 50 basis points increase in yields	Impact of 100 basis points increase in yields
<i>Impact on Statement of Comprehensive Income</i>			
Held for trading Bonds	9,050,894	(2,106)	(3,287)
Held for trading T.bills	33,906,748	(7,473)	(14,946)
Pledged assets: Bonds	188,441,589	(118,800)	(185,404)
Pledged assets: T-bills	252,061,738	(125,104)	(250,207)
	483,460,969	(253,483)	(453,844)
<i>Impact on Other Comprehensive Income</i>			
Available for sale investments	37,665,031	(1,359,839)	(2,260,317)
TOTAL	521,126,000	(1,613,322)	(2,714,161)

31 December 2016	Carrying Value	Impact of 50 basis points increase in yields	Impact of 100 basis points increase in yields
<i>Impact on Statement of Comprehensive Income</i>			
Held for trading Bonds			
Held for trading T.bills	10,170,293	(165,377)	(327,492)
Pledged assets: Bonds	34,381,635	(103,935)	(207,868)
Pledged assets: T-bills	104,560,978	(318,783)	(637,563)
	149,112,906	(588,095)	(1,172,924)
<i>Impact on Other Comprehensive Income</i>			
Available for sale investments	111,555,830	(859,399)	(1,742,610)
TOTAL	260,668,736	(1,447,494)	(2,915,534)



Foreign currency sensitivity analysis

The Group's principal foreign currency exposure is to US Dollars, as it constitutes a significant portion of the Group's foreign currency exposure as at 31 December 2017. The table below illustrates the hypothetical sensitivity of the Group and Bank's reported profit to a 10% increase in the US Dollar/Naira exchange rates at the year end, assuming all other variables remain unchanged. The sensitivity rate of 10% increase represents the directors' assessment of a reasonable possible change based on historic volatility.

Group

In thousands of naira Naira weakens by 10%	Impact on statement of comprehensive income 31 December 2017 (15,736,259)
In thousands of naira Naira weakens by 15%* Naira weakens by 30%*	Impact on statement of comprehensive income 31 December 2016 (12,178,312) (24,356,625)
Bank	
In thousands of naira Naira weakens by 10%	Impact on statement of comprehensive income 31 December 2017 (13,400,561)
Naira weakens by 15%* Naira weakens by 30%*	Impact on statement of comprehensive income 31 December 2016 (13,038,569) (26,077,138)

The NGN/USD exchange rate applied in the conversion of balances as at year end is N331/USD1 (2016: N305/USD1). The strengthening or weakening of Naira may not produce symmetrical results depending on the proportion and nature of balance sheet and the impact of derivatives.

*Due to changes in the volatility in exchange rate, the director have not restated prior year sensitivity disclosure.



5.2.3 The table below summarises the Group's financial instruments at carrying amount, categorised by currency:

Financial instruments by currency Group	Total	Naira	US	GBP	Euro	Others
In thousands of Naira						
31 December 2017	953,944,176	536,637,684	163,776,193	143,200,181	9,623,913	100,706,205
Cash and balances with banks	20,257,131	20,257,131	-	-	-	-
Investment under management						
Non-pledged trading assets	37,743,819	33,906,748	-	-	-	3,837,071
Treasury bills	9,050,894	9,012,553	38,342	-	-	-
Bonds	59,348	59,348	-	-	-	-
Equity	93,419,293	92,390,219	-	871,060	4,656	153,358
Derivative financial instruments	68,114,076	1,317,297	66,796,779	-	-	-
Loans and advances to banks						
Loans and advances to customers	3,450,060	3,243,530	-	-	-	206,530
Auto Loan	3,410,923	619,453	2,717,400	260	-	73,810
Credit Card	4,642,101	3,486,368	-	-	-	1,155,733
Finance Lease	43,622,936	4,127,122	35,745	-	-	39,460,069
Mortgage Loan	184,889,416	125,726,416	16,334,492	-	-	42,828,508
Overdraft	17,137,948	13,684,111	929,085	-	-	2,524,752
Personal Loan	1,239,240,650	821,599,652	383,765,648	-	-	33,875,350
Term Loan	499,593,593	161,146,171	326,038,284	52,976	3,972,146	8,384,016
Time Loan						
Pledged assets						
Treasury bills	258,672,815	252,061,737	-	-	-	6,611,078
Bonds	188,441,589	188,441,589	-	-	-	-
Investment securities						



- Available for sale									
Treasury bills	29,977,451	9,598,737	20,378,714	-	-	-	-	-	-
Bonds	54,079,368	27,714,194	25,827,939	-	-	-	-	-	537,235
Equity	69,581,098	69,181,956	-	-	-	-	-	-	399,142
- Held to Maturity									
Treasury bills	88,203,365	5,837,568	-	-	-	-	-	-	82,365,797
Bonds	36,590,582	7,051,661	2,888,292	-	-	-	-	-	26,650,629
Other assets	46,799,196	29,968,924	12,286,475	2,094,409	68,109				2,381,279
	3,950,921,828	2,417,070,168	1,021,813,388	146,218,886	13,668,824				352,150,562
Deposits from financial institutions	450,196,970	-	395,997,362	10,254,479	12,759,626				31,185,503
Deposits from customers	2,244,879,075	1,567,707,471	357,139,781	154,965,544	14,087,735				150,978,544
Derivative financial instruments	5,332,177	4,455,736	-	871,060	4,656				725
Other liabilities	235,786,478	106,714,552	117,132,975	2,725,726	3,448,905				5,764,320
Debt securities issued	302,106,706	70,984,362	231,122,344	-	-				-
Interest bearing borrowings	311,617,187	224,994,913	85,925,654	-	-				696,620
	3,549,918,593	1,974,857,034	1,187,318,116	168,816,809	30,300,922				188,625,713
Off balance sheet exposures									
Transaction related bonds and guarantees	370,892,995	100,763,408	141,105,173	64,793,164	55,272,843				8,958,406
Guaranteed facilities	171,002,109	65,262,657	59,326,671	39,851,773	187,390				6,373,617
Clean line facilities for letters of credit	293,267,039	21,774	205,359,311	42,762,220	17,491,992				27,631,742
Future, swap and forward contracts	662,935,746	-	653,645,538	9,290,208	-				-
	1,498,097,889	166,047,839	1,059,436,694	156,697,366	72,952,226				42,963,765

*Included in Others are balances the group has in other currencies which includes South Africa Rand, Japanese Yen, Ghanian Cedis, Dirham, Australian dollars, Canadian dollars, Swiss franc, Chinese Yuan etc.

**Financial instruments by currency
Group**

In thousands of Naira 31 December 2016	Total	Naira	US	GBP	Euro	Others
Cash and balances with banks	713,889,105	449,810,262	107,945,620	108,816,821	15,018,080	32,298,322
Investment under management	14,871,248	14,871,248	-	-	-	-
Non-pledged trading assets						
Treasury bills	34,381,635	34,381,635	-	-	-	-
Bonds	10,188,597	10,170,293	18,304	-	-	-
Equity	59,348	59,348	-	-	-	-
Derivative financial instruments	156,042,984	155,807,597	-	117,937	-	117,449
Loans and advances to banks	45,203,002	5,120,324	36,849,371	100,828	3,054,125	78,354
Loans and advances to customers						
Auto Loan	4,450,747	4,366,543	-	-	-	84,204
Credit Card	3,979,234	461,865	3,489,838	356	-	27,176
Finance Lease	3,987,897	3,847,155	140,741	-	-	-
Mortgage Loan	30,220,557	4,945,265	51,687	-	24,304,711	918,895
Overdraft	175,289,705	115,975,909	19,408,321	112	1,914	39,903,450
Personal Loan	18,072,072	16,068,950	770,696	-	-	1,232,426
Term Loan	1,088,719,248	662,246,205	414,637,752	-	1,923,592	9,911,700
Time Loan	484,739,710	110,638,349	342,042,618	-	5,017,432	27,041,309
Pledged assets						
Treasury bills	188,239,520	188,239,520	-	-	-	-
Bonds	126,707,982	126,707,982	-	-	-	-
Investment securities						
- Available for sale						
Treasury bills	69,346,601	40,960,665	22,293,819	-	-	6,092,117
Bonds	32,891,849	19,182,580	3,319,215	-	-	10,390,054
Equity	58,667,555	58,420,406	-	220,510	-	26,639





- Held to Maturity									
Treasury bills	27,350,114	-	-	-	-	-	-	-	27,350,114
Bonds	41,101,014	37,917,493	3,031,795	-	-	-	-	-	151,726
Other assets	41,796,067	25,620,309	9,312,046	693,416	3,157				6,167,140
	3,370,195,791	2,085,819,901	963,311,824	109,949,979	49,323,012				161,791,075
Deposits from financial institutions	167,356,583	23,799	135,858,174	12,101,600	10,666,112				8,706,898
Deposits from customers	2,089,197,286	1,496,193,858	395,957,684	93,758,760	11,414,977				91,872,007
Derivative financial instruments	30,444,501	30,275,182	5,494	121,239	1,650				40,936
Other liabilities	111,117,648	37,357,834	65,587,013	1,282,116	909,666				5,981,019
Debt securities issued	316,544,502	31,572,052	284,972,450	-	-				-
Interest bearing borrowings	299,543,707	226,099,848	72,650,629	13,923	122,277				657,030
	3,014,204,227	1,821,522,573	955,031,444	107,277,638	23,114,682				107,257,890
Off balance sheet exposures									
Transaction related bonds and guarantees	186,251,718	86,188,508	54,791,787	454,287	873,301				43,943,835
Guaranteed facilities	99,582,709	29,384,264	8,065,763	2,771,057	48,063,793				11,297,831
Clean line facilities for letters of credit	261,208,243	231,580	205,935,077	2,322,543	12,145,795				40,573,249
Future, swap and forward contracts	933,073,893	-	901,351,358	31,722,536	-				-
	1,480,116,563	115,804,352	1,170,143,985	37,270,422	61,082,889				95,814,915

5.2.3 The table below summarises the Bank's financial instruments at carrying amount, categorised by currency:

Financial instruments by currency

Bank

In thousands of Naira

31 December 2017	Total	Naira	US	GBP	Euro	Others
Cash and balances with banks	657,144,247	536,637,684	107,413,980	2,762,465	9,623,913	706,205
Investment under management	20,257,131	20,257,131	-	-	-	-
Non-pledged trading assets						
Treasury bills	33,906,748	33,906,748	-	-	-	-
Bonds	9,050,894	9,012,553	38,342	-	-	-
Equity	59,348	59,348	-	-	-	-
Derivative financial instruments	92,390,219	92,390,219	-	-	-	-
Loans and advances to banks	101,429,001	1,295,927	100,133,074	-	-	-
Loans and advances to customers						
Auto Loan	3,243,530	3,243,530	-	-	-	-
Credit Card	3,263,598	619,453	2,643,885	260	-	-
Finance Lease	3,486,368	3,486,368	-	-	-	-
Mortgage Loan	4,162,867	4,127,123	35,745	-	-	-
Overdraft	142,060,909	125,726,417	16,334,492	-	-	-
Personal Loan	14,613,195	13,684,110	929,085	-	-	-
Term Loan	1,165,111,472	821,599,653	343,511,819	-	-	-
Time Loan	435,340,801	161,146,172	268,931,936	52,976	2,909,240	2,300,476
Pledged assets						
Treasury bills	252,061,738	252,061,738	-	-	-	-
Bonds	188,441,589	188,441,589	-	-	-	-
Investment securities						
Available for sale						
Treasury bills	9,598,737	9,598,737	-	-	-	-
Bonds	28,066,294	27,714,194	352,100	-	-	-
Equity	69,181,956	69,181,956	-	-	-	-
Held to Maturity						
Treasury bills	5,837,568	5,837,568	-	-	-	-
Bonds	9,116,855	7,051,661	2,065,194	-	-	-





Other assets	34,517,514	29,968,924	4,542,711	4,887	992	-
	3,282,342,579	2,417,048,801	846,932,362	2,820,588	12,534,145	3,006,681
Deposits from financial institutions	276,140,835	-	267,588,985	-	6,482,044	2,069,806
Deposits from customers	1,910,773,713	1,577,026,973	323,377,322	5,700,968	4,668,185	265
Derivative financial instruments	5,306,450	5,306,450	-	-	-	-
Other liabilities	223,963,436	106,714,552	113,189,353	279,505	3,778,831	1,195
Debt securities issued	302,106,706	70,984,362	231,122,344	-	-	-
Interest bearing borrowings	282,291,141	224,994,913	57,296,228	-	-	-
	3,000,582,281	1,985,027,249	992,574,232	5,980,473	14,929,060	2,071,266
Off balance sheet exposures						
Transaction related bonds and guarantees	225,158,636	164,420,932	528,085	22,338	60,187,281	-
Guaranteed facilities	81,335,619	23,298,855	54,922,784	-	3,113,980	-
Clean line facilities for letters of credit	200,918,665	-	181,761,573	1,004,791	17,484,858	667,443
Future, swap and forward contracts	624,709,693	-	624,709,693	-	-	-
	1,132,122,613	187,719,787	861,922,135	1,027,129	80,786,119	667,443
Financial instruments by currency						
Bank						
In thousands of Naira						
31 December 2016						
Cash and balances with banks	517,997,249	449,810,263	60,800,367	1,049,275	6,137,468	199,876
Investment under management	14,871,247	14,871,247	-	-	-	-
Non-pledged trading assets						
Treasury bills	34,381,635	34,381,635	-	-	-	-
Bonds	10,188,597	10,170,293	18,304	-	-	-
Equity	59,348	59,348	-	-	-	-
Derivative financial instruments	155,772,662	155,772,662	-	-	-	-
Loans and advances to banks	104,006,574	5,120,323	98,886,251	-	-	-
Loans and advances to customers						
Auto Loan	4,366,544	4,366,544	-	-	-	-
Credit Card	3,922,377	461,866	3,460,156	356	-	-
Finance Lease	3,987,897	3,847,155	140,741	-	-	-



Mortgage Loan	4,996,952	4,945,265	51,687	-	-	-
Overdraft	130,285,663	115,989,317	14,296,347	-	-	-
Personal Loan	16,789,104	16,068,950	720,154	-	-	-
Term Loan	1,017,646,255	662,246,205	355,400,050	-	-	-
Time Loan	412,567,554	110,638,348	297,462,741	-	4,214,043	252,422
Pledged assets						
Treasury bills	188,239,520	188,239,520	-	-	-	-
Bonds	126,707,982	126,707,982	-	-	-	-
Investment securities						
Available for sale						
Treasury bills	40,960,665	40,960,665	-	-	-	-
Bonds	21,699,880	19,182,580	2,517,300	-	-	-
Equity	58,420,406	58,420,406	-	-	-	-
Held to Maturity						
Treasury bills	-	-	-	-	-	-
Bonds	40,363,051	37,917,493	2,445,558	-	-	-
Other assets	33,265,072	25,620,310	7,640,386	3,506	870	-
	2,941,496,233	2,085,798,377	843,840,041	1,053,137	10,352,381	452,298
Deposits from financial institutions	95,122,188	23,800	88,867,543	13,942	6,137,942	78,961
Deposits from customers	1,813,042,872	1,496,193,859	308,016,702	5,443,703	3,388,353	255
Derivative financial instruments	30,275,181	30,275,181	-	-	-	-
Other liabilities	105,287,725	39,811,426	64,501,462	76,042	815,402	83,392
Debt securities issued	243,952,418	31,572,052	212,380,366	-	-	-
Interest bearing borrowings	372,179,785	226,099,849	146,079,936	-	-	-
	2,659,860,169	1,823,976,167	819,846,008	5,533,687	10,341,697	162,608
Off balance sheet exposures						
Transaction related bonds and guarantees	136,163,848	86,188,508	48,890,645	454,287	630,408	-
Guaranteed facilities	85,513,822	29,384,265	8,065,763	-	48,063,793	-
Clean line facilities for letters of credit	158,994,795	231,581	149,868,358	1,893,686	5,828,248	1,172,921
Future, swap and forward contracts	900,436,358	-	900,436,358	-	-	-
	1,281,108,823	115,804,354	1,107,261,124	2,347,973	54,522,449	1,172,921



Liquidity risk management

The following table shows the undiscounted cash flows on the Group's financial assets and liabilities and on the basis of their earliest possible contractual maturity. The Gross nominal inflow / (outflow) disclosed in the table is the contractual, undiscounted cash flow on the financial liability or commitment.

The amounts in the table below have been compiled as follows:

Type of financial instrument	Basis on which amounts are compiled
Non-derivative financial liabilities and financial assets	Undiscounted cash flows, which include estimated interest payments.
Issued financial guarantee contracts, and unrecognised loan commitments	Earliest possible contractual maturity. For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest year in which the guarantee could be called.
Derivative financial liabilities and financial assets held for risk management purposes	Contractual undiscounted cash flows. The amounts shown are the gross nominal inflows and outflows for derivatives that have simultaneous gross settlement (e.g. forward exchange contracts and currency swaps) and the net amounts for derivatives that are net settled.
Trading derivative liabilities and assets forming part of the Group's proprietary trading operations that are expected to be closed out before contractual maturity	Fair values at the date of the statement of financial position. This is because contractual maturities are not reflective of the liquidity risk exposure arising from these positions. These fair values are disclosed in the 'less than one month' column.
Trading derivative liabilities and assets that are entered into by the Group with its customers	Contractual undiscounted cash flows. This is because these instruments are not usually closed out before contractual maturity and so the Group believes that contractual maturities are essential for understanding the timing of cash flows associated with these derivative positions.

"The Group's expected cash flows on some financial assets and financial liabilities vary significantly from the contractual cash flows. For example, demand deposits from customers are expected to remain stable or increase and unrecognised loan commitments are not all expected to be drawn down immediately. As part of the management of liquidity risk arising from financial liabilities, the Group holds liquid assets comprising Cash and balances with banks and debt securities issued by federal government, which can be readily sold to meet liquidity requirements. In addition, the Group maintains agreed lines of credit with other banks and holds unencumbered assets eligible for use as collateral.



5.3.1 Residual contractual maturities of financial assets and liabilities

Group	Carrying amount	Gross nominal inflow/(out-flow)	Less than 3 months	6 months	12 months	5 years	More than 5 years
31 December 2017							
<i>In thousands of Naira</i>							
Cash and balances with banks	953,944,176	954,012,176	330,005,037	261,873,783	-	-	362,133,356
Investment under management	20,257,131	16,923,280	13,877,216	3,046,063	-	-	-
Non-pledged trading assets							
Treasury bills	37,743,819	36,591,854	5,754,587	7,808,409	23,028,858	-	-
Bonds	9,050,894	24,667,877	509,156	114,088	609,408	5,268,742	18,166,483
Derivative financial instruments	93,419,293	93,419,293	12,695,471	629,958	80,093,864	-	-
Loans and advances to banks	68,114,076	68,176,739	26,588,489	26,256,691	8,224,312	7,107,247	-
Loans and advances to customers							
Auto Loan	3,450,060	3,498,729	128,961	108,498	194,929	3,066,341	-
Credit Card	3,410,923	3,472,919	3,181,972	44,542	121,679	87,725	37,001
Finance Lease	4,642,101	4,846,987	510,124	535,534	1,049,267	2,752,062	-
Mortgage Loan	43,622,936	43,704,482	8,433,901	10,406,234	11,429,466	11,602,742	1,832,139
Overdraft	184,889,416	202,794,012	140,774,170	15,154,432	39,101,674	-	7,763,737
Personal Loan	17,137,948	17,615,990	1,661,804	1,275,024	5,378,942	9,266,259	33,960
Term Loan	1,239,240,650	1,275,906,615	72,618,866	84,098,691	309,187,788	550,403,024	259,598,246
Time Loan	499,593,593	507,912,180	213,775,524	116,977,559	160,313,843	16,845,254	-
Pledged assets							
Treasury bills	258,672,815	266,032,828	119,642,449	70,466,824	75,923,555	-	-
Bonds	188,441,589	333,593,205	5,843,214	2,481,750	8,821,729	90,449,224	225,997,288
Investment securities Available for sale							



Treasury bills	29,977,451	32,529,011	6,000,297	24,578,714	1,950,000	-	-
Bonds	54,079,368	111,384,906	2,693,868	1,617,346	4,319,922	53,212,754	49,541,016
Held to Maturity							
Treasury bills	88,203,365	92,202,918	8,064,301	32,074,308	52,064,309	-	-
Bonds	36,590,581	42,510,708	1,018,325	18,032,767	6,269,123	10,101,940	7,088,551
Other assets	46,799,196	76,560,762	46,162,812	3,161,155	9,355,050	17,881,745	-
	3,881,281,381	4,208,357,470	1,019,940,544	680,742,371	797,437,718	778,045,058	932,191,777
Deposits from financial institutions	450,196,970	492,753,085	290,787,768	191,532,855	10,432,462	-	-
Deposits from customers	2,244,879,075	2,526,911,645	1,322,388,754	882,033,700	28,665,196	293,823,995	-
Derivative financial instruments	5,332,177	5,332,177	4,433,573	650,884	247,719	-	-
Other liabilities	235,786,478	237,574,121	144,535,406	69,146,396	23,891,209	1,110	-
Debt securities issued	302,106,706	321,682,651	17,697,737	26,535,721	277,449,193	-	-
Interest bearing borrowings	311,617,187	298,207,558	828,707	2,580,269	23,035,123	244,997,208	26,766,250
	3,549,918,593	3,882,461,237	1,780,671,945	1,172,479,825	363,720,902	538,822,313	26,766,250
Gap (asset - liabilities)	331,362,789	325,896,233	(760,731,401)	(491,737,453)	433,716,816	239,222,745	905,425,529
Cumulative liquidity gap			(760,731,401)	(1,252,468,854)	(818,752,038)	(579,529,293)	325,896,236
Off-balance sheet							
Transaction related bonds and guarantees	370,892,995	370,892,996	69,692,770	45,345,626	158,847,644	97,006,956	-
Guaranteed facilities	171,002,109	171,002,109	53,451,112	30,394,198	14,113,357	73,043,442	-
Clean line facilities for letters of credit and other commitments	293,267,039	293,267,039	167,575,246	98,015,062	27,676,731	-	-
Future, swap and forward contracts	662,935,746	662,935,745	109,529,465	46,416,674	506,989,605	-	-
	1,498,097,889	1,498,097,889	400,248,593	220,171,560	707,627,337	170,050,398	-



Group	Carrying amount	Gross nominal inflow/(out-flow)	Less than 3 months	6 months	12 months	5 years	More than 5 years
31 December 2016							
<i>In thousands of Naira</i>							
Cash and balances with banks	713,889,105	715,345,365	353,988,075	7,247,123	53,642,143	-	300,468,024
Investment under management	14,871,247	14,871,247	10,411,554	4,459,693	-	-	-
Non-pledged trading assets							
Treasury bills	34,381,635	34,029,176	9,040,335	4,866,243	20,122,598	-	-
Bonds	10,188,597	16,619,894	631,976	91,576	718,002	6,761,748	8,416,592
Derivative financial instruments	156,042,984	156,042,984	27,079,269	33,598,441	38,327,725	57,037,549	-
Loans and advances to banks	45,203,002	45,463,319	33,905,765	4,685,904	6,871,650	-	-
Loans and advances to customers							
Auto Loan	4,450,747	4,514,364	352,266	325,139	743,859	3,093,100	-
Credit Card	3,979,235	4,051,996	3,916,648	187	16,538	118,623	-
Finance Lease	3,987,897	4,007,259	709,657	370,719	725,035	2,201,848	-
Mortgage Loan	30,220,557	30,304,601	24,297,892	143,547	37,176	2,717,493	3,108,493
Overdraft	175,289,705	186,881,262	115,424,409	8,168,255	62,334,086	954,511	-
Personal Loan	18,072,072	18,754,869	3,212,043	1,692,016	4,106,747	9,486,725	257,338
Term Loan	1,088,719,249	1,109,876,546	92,812,191	37,992,342	70,123,875	620,946,018	288,002,120
Time Loan	484,739,708	486,774,566	321,897,757	36,295,722	63,668,031	64,913,055	-
Pledged assets							
Treasury bills							
Bonds	188,239,520	209,782,953	40,001,539	74,184,000	95,597,414	-	-
Investment securities	126,707,982	210,020,281	1,841,690	7,536,150	12,442,115	53,256,317	134,944,010
Available for sale							
Treasury bills	69,346,601	69,633,449	24,517,339	9,716,110	35,400,000	-	-
Bonds	32,891,849	39,382,977	477,858	5,278,846	1,616,705	14,058,682	17,950,886
Held to Maturity							
Treasury bills	27,350,114	28,180,997	16,686,645	4,378,220	7,116,132	-	-



Bonds	41,101,013	98,737,384	6,191,560	3,272,392	4,798,727	26,230,505	58,244,199
Other assets	41,796,068	44,763,926	16,103,065	8,352,445	2,674,098	17,634,319	-
	3,311,468,889	3,528,039,417	1,103,499,533	252,655,073	481,082,654	879,410,493	811,391,662
Deposits from financial institutions	167,356,583	164,074,988	88,509,852	28,368,657	47,196,478	-	-
Deposits from customers	2,089,197,286	2,131,487,288	1,770,249,157	169,609,396	131,265,649	60,363,086	-
Derivative financial instruments	30,444,501	30,444,581	6,319,085	9,071,764	15,053,732	-	-
Other liabilities	111,117,648	111,134,476	34,280,188	64,128,143	12,124,191	601,954	-
Debt securities issued	316,544,502	414,465,451	11,105,760	14,661,659	388,698,032	-	-
Interest bearing borrowings	299,543,707	349,046,526	5,715,379	11,935,782	16,675,458	95,242,608	219,477,299
	3,014,204,227	3,200,653,309	1,916,179,421	297,775,401	611,013,540	156,207,648	219,477,299
Gap (asset - liabilities)	297,264,662	327,386,108	(812,679,888)	(45,120,329)	(129,930,886)	723,202,845	591,914,362
Cumulative liquidity gap			(812,679,888)	(857,800,217)	(987,731,103)	(264,528,259)	327,386,104
Off-balance sheet							
Transaction related bonds and guarantees	186,251,718	186,251,718	58,396,012	20,312,880	13,591,530	93,951,296	-
Guaranteed facilities	99,582,709	99,582,709	12,734,834	3,939,865	12,160,759	68,912,931	1,834,320
Clean line facilities for letters of credit and other commitments	261,208,243	261,208,243	191,336,041	32,234,010	33,458,810	4,179,382	-
Future, swap and forward contracts	933,073,893	933,073,893	277,615,235	195,494,789	347,913,388	112,050,481	-
	1,480,116,563	1,480,116,563	540,082,122	251,981,544	407,124,487	279,094,090	1,834,320

5.3.1 Residual contractual maturities of financial assets and liabilities

Bank	Carrying amount	Gross nominal inflow/out-flow	Less than 3 months	6 months	12 months	5 years	More than 5 years
31 December 2017							
In thousands of Naira							
Cash and balances with banks	657,144,247	657,824,247	269,040,476	28,837,562	-	-	359,946,209
Investment under management	20,257,131	20,257,131	15,248,944	2,664,746	2,343,441	-	-
Non-pledged trading assets							
Treasury bills	33,906,748	36,591,854	5,754,587	7,808,409	23,028,858	-	-
Bonds	9,050,894	24,667,877	509,156	114,088	609,408	5,268,742	18,166,483
Derivative financial instruments	92,390,219	92,390,219	12,695,471	629,958	79,064,790	-	-
Loans and advances to banks	101,429,001	101,470,508	35,270,508	24,825,000	41,375,000	-	-
Loans and advances to customers							
Auto Loan	3,243,530	3,292,199	79,394	54,800	139,166	3,018,839	-
Credit Card	3,263,598	3,324,216	3,153,636	-	91,869	41,710	37,001
Finance Lease	3,486,368	3,684,811	254,252	244,990	712,494	2,473,076	-
Mortgage Loan	4,162,867	4,230,374	143,777	143,106	377,137	1,734,215	1,832,139
Overdraft	142,060,909	156,902,433	121,336,888	-	27,801,808	-	7,763,737
Personal Loan	14,613,195	15,085,225	1,205,845	591,838	4,418,034	8,835,548	33,960
Term Loan	1,165,111,472	1,197,454,857	57,453,678	59,296,709	289,574,849	531,531,376	259,598,246
Time Loan	435,340,801	443,414,730	192,556,762	102,184,076	139,554,312	9,119,579	-
Pledged assets							
Treasury bills	252,061,738	260,032,828	119,642,449	64,466,824	75,923,555	-	-
Bonds	188,441,589	333,593,205	5,843,214	2,481,750	8,821,729	90,449,224	225,997,288
Investment securities							
Available for sale							
Treasury bills	9,598,737	10,150,297	4,000,297	4,200,000	1,950,000	-	-





Bonds	28,066,294	55,692,453	1,346,934	808,673	2,159,961	26,606,377	24,770,508
Held to Maturity							
Treasury bills	5,837,568	5,957,035	-	-	5,957,035	-	-
Bonds	9,116,855	10,889,048	1,776,941	910,662	557,673	6,396,217	1,247,555
Other assets	34,517,514	64,618,113	46,024,737	-	835,486	17,757,889	-
	3,213,101,274	3,501,523,658	893,337,945	300,263,191	705,296,604	703,232,792	899,393,126
Deposits from financial institutions	276,140,835	287,106,829	156,414,526	110,592,932	20,038,675	60,695	-
Deposits from customers	1,910,773,713	1,923,543,742	1,577,123,251	325,858,014	20,473,680	88,797	-
Derivative financial instruments	5,306,450	5,306,450	4,433,548	625,183	247,719	-	-
Other liabilities	223,963,436	223,963,436	132,508,400	14,656,236	76,798,800	-	-
Debt securities issued	302,106,706	321,682,651	17,697,737	26,535,721	277,449,193	-	-
Interest bearing borrowings	282,291,141	295,636,255	123,648,978	65,728,142	46,536,781	32,239,324	27,483,030
	3,000,582,281	3,057,239,363	2,011,826,440	543,996,228	441,544,848	32,388,817	27,483,030
Gap (asset - liabilities)	212,518,993	444,284,294	(1,118,488,495)	(243,733,037)	263,751,756	670,843,975	871,910,096
Cumulative liquidity gap			(1,118,488,495)	(1,362,221,532)	(1,098,469,776)	(427,625,801)	444,284,294
Off balance-sheet							
Transaction related bonds and guarantees	225,158,636	225,158,636	34,170,542	34,919,753	59,061,386	97,006,956	-
Guaranteed facilities	81,335,619	81,335,619	533,891	1,877,455	9,997,094	68,927,179	-
Clean line facilities for letters of credit and other commitments	200,918,665	200,918,665	111,792,227	79,466,674	9,659,764	-	-
Future, swap and forward contracts	624,709,693	642,709,693	200,331,811	237,795,545	74,201,215	112,381,121	-
	1,132,122,613	1,132,122,613	346,828,471	354,059,427	152,919,459	278,315,256	-



Bank	Carrying amount	Gross nominal inflow/out-flow	Less than 3 months	6 months	12 months	5 years	More than 5 years
31 December 2016							
In thousands of Naira							
Cash and balances with banks	517,997,249	519,266,390	160,192,964	7,247,123	53,642,143	-	298,184,159
Investment under management	14,871,247	13,041,247	10,411,554	2,629,693	-	-	-
Non-pledged trading assets							
Treasury bills	34,381,635	34,029,176	9,040,335	4,866,243	20,122,598	-	-
Bonds	10,188,597	16,619,893	631,976	91,576	718,002	6,761,748	8,416,592
Derivative financial instruments	155,772,662	155,772,662	26,810,280	33,597,108	38,327,725	57,037,549	-
Loans and advances to banks	104,006,574	106,370,619	17,606,339	35,495,655	53,268,624	-	-
Loans and advances to customers							
Auto Loan	4,366,544	4,429,376	349,123	325,117	737,390	3,017,746	-
Credit Card	3,922,377	4,008,296	3,872,947	187	16,538	118,623	-
Finance Lease	3,987,898	4,007,259	709,657	370,719	725,035	2,201,848	-
Mortgage Loan	4,996,952	5,072,282	71,128	143,142	36,366	2,588,525	2,233,121
Overdraft	130,285,663	140,086,013	112,363,969	8,168,255	19,374,316	179,472	-
Personal Loan	16,789,104	17,369,909	3,204,315	1,688,986	3,515,034	8,958,819	2,756
Term Loan	1,017,646,255	1,035,301,570	69,817,914	37,847,445	69,867,436	572,754,782	285,013,663
Time Loan	412,567,554	414,563,484	305,093,210	28,655,049	15,934,022	64,881,203	-
Pledged assets							
Treasury bills	188,239,520	209,782,953	40,001,539	74,184,000	95,597,414	-	-
Bonds	126,707,982	210,020,281	1,841,690	7,536,150	12,442,115	53,256,317	134,944,010
Investment securities							
Available for sale							
Treasury bills	40,960,665	47,318,516	2,202,406	9,716,110	35,400,000	-	-
Bonds	21,699,880	38,217,811	477,858	5,278,846	1,616,705	13,114,026	17,730,376
Held to Maturity							
Bonds	40,363,051	88,365,459	2,217,396	288,326	3,453,755	24,516,142	57,889,841



Other assets	33,265,072	36,232,930	16,057,855	-	2,666,435	17,508,640	-
	2,883,016,480	3,099,876,127	782,974,457	258,129,729	427,461,654	826,895,439	804,414,518
Deposits from financial institutions	95,122,188	93,373,197	88,509,852	4,824,256	39,089	-	-
Deposits from customers	1,813,042,872	1,842,927,520	1,630,445,930	122,969,705	77,445,500	12,066,385	-
Derivative financial instruments	30,275,181	30,275,181	6,150,451	9,070,998	15,053,732	-	-
Other liabilities	105,287,724	105,287,724	29,202,451	64,128,143	11,957,131	-	-
Debt securities issued	243,952,418	336,873,750	8,452,867	14,661,659	313,759,224	-	-
Interest bearing borrowings	372,179,785	426,638,227	8,368,272	11,935,782	91,614,266	95,242,608	219,477,299
	2,659,860,168	2,835,375,599	1,771,129,823	227,590,543	509,868,942	107,308,993	219,477,299
Gap (asset - liabilities)	223,156,312	264,500,528	(988,155,366)	30,539,186	(82,407,288)	719,586,446	584,937,220
Cumulative liquidity gap			(988,155,366)	(957,616,181)	(1,040,023,468)	(320,437,022)	264,500,198
Off balance-sheet							
Transaction related bonds and guarantees	136,163,848	136,163,848	11,965,448	19,613,726	12,336,612	92,248,061	-
Guaranteed facilities	85,513,821	85,513,821	5,276,228	2,913,364	6,576,977	68,912,931	1,834,320
Clean line facilities for letters of credit and other commitments	158,994,793	158,994,793	81,207,362	32,234,010	41,374,039	4,179,382	-
Future, swap and forward contracts	900,436,358	900,436,358	277,615,235	195,494,789	315,275,853	112,050,481	-
	1,281,108,820	1,281,108,820	376,064,274	250,255,889	375,563,481	277,390,855	1,834,320

5.3.2 Financial instruments below and above 1 year's maturity

Group	December 2017		December 2016		Total
	Within 12 months	After 12 months	Within 12 months	After 12 months	
<i>In thousands of Naira</i>					
Cash and balances with banks	596,770,820	357,173,356	413,421,081	300,468,024	713,889,105
Investments under management	20,257,131	-	14,871,247	-	14,871,247
Non pledged trading assets					
Treasury bills	37,743,819	-	34,381,635	-	34,381,635
Bonds	8,986	9,041,908	1,993	10,186,604	10,188,597
Derivative financial instruments	38,459,025	54,960,268	99,005,435	57,037,549	156,042,984
Loans and advances to banks	61,006,828	7,107,247	44,977,056	225,946	45,203,002
Loans and advances to customers					
Auto Loan	408,955	3,041,105	474,178	3,976,569	4,450,747
Credit Card	3,324,249	86,674	3,873,887	105,348	3,979,235
Finance Lease	1,154,202	3,487,899	373,096	3,614,801	3,987,897
Mortgage Loan	29,596,182	14,026,754	24,350,127	5,870,430	30,220,556
Overdraft	184,889,416	-	174,352,829	936,877	175,289,705
Personal Loan	5,649,586	11,488,361	1,862,003	16,210,069	18,072,071
Term Loan	152,172,678	1,087,067,972	61,000,474	1,027,718,775	1,088,719,248
Time Loan	476,937,485	22,656,108	415,677,251	69,062,457	484,739,709
Pledged assets					
Treasury bills	258,672,815	-	188,239,520	-	188,239,520
Bonds	20,724,258	167,717,331	11,757,237	114,950,745	126,707,982
Investment securities					
Available for sale					
Treasury bills	29,977,451	-	69,346,601	-	69,346,601





Bonds	28,634,329	25,445,039	54,079,368	4,363,270	28,528,579	32,891,849
Held to Maturity						
Treasury bills	87,380,268	823,097	88,203,365	27,350,114	-	27,350,114
Bonds	26,689,749	9,900,833	36,590,582	2,199,256	38,901,757	41,101,014
Other assets	42,985,834	3,813,362	46,799,196	22,429,091	19,366,977	41,796,068
	2,103,444,066	1,777,837,313	3,881,281,381	1,614,307,380	1,697,161,508	3,311,468,888
Deposits from financial institutions	450,196,970	-	450,196,970	167,356,583	-	167,356,583
Deposits from customers	2,177,811,215	67,067,860	2,244,879,075	2,080,224,795	8,972,491	2,089,197,286
Derivative financial instruments	5,332,177	-	5,332,177	30,444,501	-	30,444,501
Debt securities issued	70,722,788	231,383,918	302,106,706	104,164,136	212,380,366	316,544,502
Other liabilities	221,897,540	13,888,938	235,786,478	90,980,725	20,136,923	111,117,648
Interest-bearing borrowings	79,240,285	232,376,902	311,617,187	13,369,251	286,174,456	299,543,707
	3,005,200,975	544,717,619	3,549,918,593	2,548,627,221	747,036,516	3,014,204,227
Bank	December 2017					
<i>In thousands of Naira</i>	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Cash and balances with banks	302,158,038	354,986,209	657,144,247	219,813,090	298,184,159	517,997,249
Investment under management	20,257,131	-	20,257,131	14,871,247	-	14,871,247
Non pledged trading assets						
Treasury bills	33,906,748		33,906,748	34,381,635	-	34,381,635
Bonds	8,986	9,041,908	9,050,894	1,993	10,186,604	10,188,597
Derivative financial instruments	92,390,219	-	92,390,219	98,735,112	57,037,550	155,772,662
Loans and advances to banks	101,429,001	-	101,429,001	80,951,478	23,055,096	104,006,574
Loans and advances to customers						



Auto Loan	249,927	2,993,603	3,243,530	463,459	3,903,085	4,366,544
Credit Card	3,222,595	41,003	3,263,598	3,803,753	118,623	3,922,377
Finance Lease	275,845	3,210,523	3,486,368	373,097	3,614,801	3,987,898
Mortgage Loan	1,131	4,161,737	4,162,867	43,792	4,953,160	4,996,952
Overdraft	142,060,909	-	142,060,909	130,106,191	179,472	130,285,663
Personal Loan	3,554,042	11,059,153	14,613,195	1,286,581	15,502,522	16,789,104
Term Loan	95,834,502	1,069,276,969	1,165,111,472	38,491,569	979,154,686	1,017,646,255
Time Loan	420,395,028	14,945,773	435,340,801	343,535,968	69,031,586	412,567,554
Pledged assets						
Treasury bills	252,061,738	-	252,061,738	188,239,520	-	188,239,520
Bonds	20,724,258	167,717,331	188,441,589	11,757,236	114,950,746	126,707,982
Investment securities						
Available for sale						
Treasury bills	9,598,737	-	9,598,737	40,960,665	-	40,960,665
Bonds	4,307	28,061,987	28,066,294	4,363,270	17,336,610	21,699,880
Held to Maturity						
Treasury bills	5,837,568	-	5,837,568	-	-	-
Bonds	2,597,072	6,519,783	9,116,855	2,199,256	38,163,795	40,363,051
Other assets	30,395,439	4,122,075	34,517,514	18,724,289	14,540,783	33,265,072
	1,536,963,220	1,676,138,054	3,213,101,275	1,233,103,205	1,649,913,279	2,883,016,480
Deposits from financial institutions	276,140,835	-	276,140,835	95,122,188	-	95,122,188
Deposits from customers	1,910,693,995	79,718	1,910,773,713	1,804,070,381	8,972,491	1,813,042,872
Derivative financial instruments	5,306,450	-	5,306,450	30,275,181	-	30,275,181
Debt securities issued	70,931,375	231,175,331	302,106,706	31,572,052	212,380,366	243,952,418
Other liabilities	223,963,436	-	223,963,436	89,211,697	16,076,027	105,287,724
Interest-bearing borrowings	69,822,064	212,469,076	282,291,141	86,005,329	286,174,456	372,179,785
	2,556,858,155	443,724,125	3,000,582,280	2,136,256,828	523,603,340	2,659,860,168



6 Capital management

The Bank's objectives when managing capital, which is a broader concept than the 'equity' on the face of the statement of financial position, are:

- i) To comply with the capital requirements set by the Central Bank;
- ii) 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
- iii) To maintain a strong capital base to support the development of its business.

The capital adequacy ratio is the quotient of the capital base of the Bank and the Bank's risk weighted asset base. In accordance with Central Bank of Nigeria regulations, a minimum ratio of 16% (15% + additional 1%) is to be maintained for deposit money banks designated as significant financial institutions. Following the CBN guideline on regulatory capital computation, the Regulatory Risk Reserve has been excluded from the capital computation. Standardised approach has been adopted in computing the risk weighted assets for Credit, Operational, and Market Risk. The following table provides an overview of the development of the capital ratios and risk-weighted assets (RWA):

The regulatory capital requirements are strictly observed when managing capital. The Bank's regulatory capital is managed by its Bank Treasury and comprises two tiers:

- Tier 1 capital: This includes ordinary share capital, share premium, retained earnings and other reserves excluding regulatory reserves. Intangible assets, deferred tax assets and investment in subsidiaries were also deducted from Tier I capital for capital adequacy purposes; and
- Tier 2 capital: This includes fair value reserves, foreign currency translation reserves with adjustments for investments in subsidiaries.

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Tier 1 capital				
Ordinary share capital	14,463,986	14,463,986	14,463,986	14,463,986
Share premium	197,974,816	197,974,816	197,974,816	197,974,816
Retained earnings	117,701,679	93,614,030	120,218,603	93,329,188
Other reserves	178,399,413	142,194,720	136,833,692	115,910,630
Non-controlling interests	6,907,515	6,247,028	-	-
	515,447,409	454,494,580	469,491,097	421,678,620
Add/(Less):				
Fair value reserve for available-for-sale	(36,111,322)	(23,240,250)	(35,267,471)	(23,354,093)
Foreign currency translation reserves	(26,813,500)	(11,992,025)	-	-
Other reserves	(2,031,978)	(1,211,978)	(2,031,978)	(1,008,118)
Total Tier 1	450,490,608	418,050,326	432,191,647	397,316,409
Add/(Less):				
50% Investments in subsidiaries	-	-	(43,897,316)	(29,619,626)
Deferred tax assets	(740,402)	(1,264,813)	-	-
Regulatory risk reserve	(43,420,287)	(42,932,550)	(35,058,266)	(35,058,266)
Intangible assets	(8,295,855)	(6,939,555)	(5,981,905)	(5,173,784)
Adjusted Tier 1	398,034,065	366,913,409	347,254,161	327,464,733
Tier 2 capital				
Debt securities issued	79,440,000	97,600,000	79,440,000	97,600,000
Fair value reserve for available-for-sale securities	36,111,322	23,240,250	35,267,471	23,354,093
Foreign currency translation reserves	26,813,500	11,992,025	-	-
Other reserves	2,031,978	1,211,978	2,031,978	1,008,118
50% Investments in subsidiaries	-	-	(43,897,316)	(29,619,626)



Total Tier 2	144,396,800	134,044,253	72,842,135	92,342,587
Adjusted Tier 2 capital (33% of Tier 1)	132,664,754	122,292,239	72,842,135	92,342,587
Total regulatory capital	530,698,819	489,205,648	420,096,296	419,807,320
Risk-weighted assets	2,645,011,975	2,355,526,638	2,311,370,698	2,148,490,422

Capital ratios

Total regulatory capital expressed as a percentage of total risk-weighted assets	20.06%	20.77%	18.18%	19.54%
Total tier 1 capital expressed as a percentage of risk-weighted assets	15.05%	15.58%	15.02%	15.24%

7 Operating segments

The Group has four reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately based on the Group's management and internal reporting structure. For each of the strategic business units, the Executive Management Committee reviews internal management reports on at least a quarterly basis. The Group presents segment information to its Executive Committee, which is the Group's Chief Operating Decision Maker, based on International Financial Reporting Standards.

Based on the market segment and extent of customer turnover, the group reformed the arrangement of segments from previous years into four operational segments as described below;

- Corporate and Investment Banking** - The division provides bespoke comprehensive banking products and a full range of services to multinationals, large domestic corporates and other institutional clients. The division focuses on customers in key industry sector with minimum annual turnover of N20 billion. It also provides innovative finance solutions to meet the short, medium and long-term financing needs for the Bank's clients as well as relationship banking services to the Bank's financial institutions customers.
- Commercial banking** - The commercial banking division has presence in all major cities in the country. It provides commercial banking products and services to the non-institutional clients, medium and small corporate segments of the Nigerian market whose annual turnover is above N1bn. The division also provides financial services to public sector, commercial institutions and oriental corporates.
- Personal banking** - The personal banking division is the retail arm of the bank which provides financial products and services to individuals (personal and inclusive segments) and private banking segment. The private banking segment focuses on offering bespoke services to High Net worth Individuals (HNI) and Ultra High Net worth Individuals (UHNI) by handling their wealth portfolio needs both locally and abroad.
- Business Banking** - The Business banking division is a hybrid of Commercial and Personal Banking Divisions. It focuses on small and medium scale enterprises providing them with business solutions to support their growing business needs. The division delivers commercial banking products and services to SME customers with annual turnover of less than 1billion.

All of the Segments reported at the end of the year had its,

- Reported revenue, from both external customers and intersegment sales or transfers, 10 per cent or more of the combined revenue, internal and external, of all operating segments, or

-the absolute measure of its reported profit or loss 10 per cent or more of the greater, in absolute amount, of



- (i) the combined reported profit of all operating segments that did not report a loss and
- (ii) the combined reported loss of all operating segments that reported a loss, or

-its assets are 10% or more of the combined assets of all operating segments.

Unallocated Segments represents all other transactions than are outside the normal course of business and can not be directly related to a specific segment financial information.

Thus, in essence, unallocated segments reconcile segment balances to group balances. Material items comprising total assets and total liabilities of the unallocated segments have been outlined below;

Sales between segments are carried out at arm's length. The revenue from external parties reported to the executive committee is measured in a manner consistent with that in the income statement.

Material total assets and liabilities

	Group December 2017	Group December 2016
In thousands of Naira		
Other Assets	82,753,431	63,255,054
Deferred tax (net)	740,402	1,264,813
Assets Held for Sale	9,479,967	140,727
Goodwill	681,007	681,007
	93,654,807	65,341,601
Other liabilities	253,914,174	113,571,240
Debt Securities issued	302,106,706	316,544,502
Interest-bearing loans and borrowings	311,617,187	299,543,707
Deferred tax	8,764,262	3,699,050
Retirement Benefit Obligation	2,495,274	3,075,453
Total liabilities	878,897,603	736,433,952

Material revenue and expenses

	Group December 2017	Group December 2016
Interest expense		
Interest expense on debt securities issued	(26,928,587)	(18,369,256)



7a Operating segments (continued)

31 December 2017

In thousands of Naira

	Corporate & Investment Banking	Commercial Banking	Business Banking	Personal Banking	Unallocated Segments	Total continuing operations	Total
Revenue:							
Derived from external customers	221,648,200	137,382,662	34,774,110	65,270,807	-	459,075,779	459,075,779
Derived from other business segments	-	-	-	-	-	-	-
Total Revenue	221,648,200	137,382,662	34,774,110	65,270,807	-	459,075,779	459,075,779
Interest Income	91,910,500	154,101,363	31,066,986	42,775,553	-	319,854,402	319,854,402
Interest expense	(37,453,265)	(64,996,071)	(11,733,835)	(15,291,099)	(26,928,587)	(156,402,857)	(156,402,857)
Impairment Losses	(27,669,368)	(6,086,968)	578,891	(1,289,423)	-	(34,466,868)	(34,466,868)
Profit/(Loss) on ordinary activities before taxation	74,573,146	26,177,424	1,667,521	4,582,976	(26,928,587)	80,072,480	80,072,480
Income tax expense	(12,647,766)	(4,386,483)	(279,422)	(767,957)	-	(18,081,628)	(18,081,628)
Profit after tax						61,990,852	61,990,852
Assets and liabilities:							
Loans and Advances to banks and customers	817,361,325	1,118,643,435	73,969,035	54,127,908	-	2,064,101,703	2,064,101,703
Goodwill	-	-	-	-	681,007	681,007	681,007
Tangible segment assets	1,753,082,355	1,972,389,897	163,483,992	119,631,769	-	4,008,588,013	4,008,588,013
Unallocated segment assets	-	-	-	-	93,654,807	93,654,807	93,654,807
Total assets	1,753,082,355	1,972,389,897	163,483,992	119,631,769	93,654,807	4,102,242,820	4,102,242,820



Deposits from customers	397,529,002	976,398,417	311,944,929	559,006,727	-	2,244,879,075	2,244,879,075
Segment liabilities	493,234,417	1,170,538,200	373,969,733	670,155,458	-	2,707,897,808	2,707,897,808
Unallocated segment liabilities	-	-	-	-	878,897,603	878,897,603	878,897,603
Total liabilities	493,234,417	1,170,538,200	373,969,733	670,155,458	878,897,603	3,586,795,411	3,586,795,411
Net assets	1,259,847,938	801,851,697	(210,485,741)	(550,523,689)	(785,242,796)	515,447,410	515,447,409

Operating segments (continued)

<i>In thousands of Naira</i>	Corporate & Investment Banking	Commercial Banking	Business Banking	Personal Banking	Unallocated Segments	Total continuing operations	Total
Revenue:							
Derived from external customers	141,391,638	145,070,057	29,336,906	65,522,183	-	381,320,783	381,320,783
Derived from other business segments	(897)	(2,251)	1,063	2,084	-	-	-
Total Revenue	141,390,741	145,067,806	29,337,969	65,524,267	-	381,320,783	381,320,783
Interest Income	75,569,180	116,850,109	22,723,799	32,143,548	-	247,286,635	247,286,635
Interest expenses	(34,582,829)	(38,394,292)	(7,051,917)	(9,740,581)	(18,369,256)	(108,138,875)	(108,138,875)
Impairment Losses	(9,374,089)	(10,448,863)	(1,238,648)	(891,219)	-	(21,952,819)	(21,952,819)
Profit/(Loss) on ordinary activities before taxation	49,260,836	47,314,951	424,158	11,708,767	(18,369,256)	90,339,456	90,339,456
Income tax expense						(18,900,109)	(18,900,109)
Profit after tax						71,439,347	71,439,347
Assets and liabilities:							
Loans and Advances to customers	702,318,575	1,028,136,471	66,283,947	57,923,181	-	1,854,662,174	1,854,662,174
Goodwill					681,007	681,007	681,007
Tangible segment assets	1,303,757,470	1,886,823,131	121,643,467	106,299,895	-	3,418,523,963	3,418,523,963
Unallocated segment assets	-	-	-	-	65,341,601	65,341,601	65,341,601
Total assets	1,303,757,470	1,886,823,131	121,643,467	106,299,895	65,341,601	3,483,865,564	3,483,865,564
Deposits from customers	480,494,494	970,978,683	243,016,286	394,707,823	-	2,089,197,286	2,089,197,286
Segment liabilities	346,617,983	1,407,188,270	254,397,381	284,733,397	-	2,292,937,032	2,292,937,032
Unallocated segment liabilities	-	-	-	-	736,433,952	736,433,952	736,433,952
Total liabilities	346,617,983	1,407,188,270	254,397,381	284,733,397	736,433,952	3,029,370,984	3,029,370,984
Net assets	957,139,487	479,634,861	(132,753,914)	(178,433,503)	(671,092,351)	454,494,580	454,494,580





7b Geographical segments

The Group operates in three geographic regions, being:

- Nigeria
- Rest of Africa
- Europe

31 December 2017 <i>In thousands of Naira</i>	Nigeria	Rest of Africa	Europe	Total
Derived from external customers	398,161,575	38,759,457	22,154,747	459,075,779
Derived from other segments	-	-	-	-
Total Revenue	398,161,575	38,759,457	22,154,747	459,075,779
Interest Income	274,670,641	28,223,362	16,960,399	319,854,402
Impairment Losses	(29,149,849)	(5,317,020)	-	(34,466,869)
Interest expense	(143,133,607)	(6,302,975)	(6,966,275)	(156,402,857)
Net fee and commission income	45,785,985	5,819,745	4,991,587	56,597,317
Operating Income	255,027,968	32,456,482	15,188,472	302,672,922
Profit before income tax	67,043,501	3,993,736	9,035,244	80,072,480
Assets and liabilities:				
Loans and Advances to customers and banks	1,872,711,740	95,388,270	96,001,693	2,064,101,703
Non current assets				
Goodwill	-	681,007	-	681,007
Total assets	3,499,683,979	(67,809,612)	670,368,454	4,102,242,820
Deposit from customers	1,910,773,713	130,741,584	203,363,778	2,244,879,075
Total liabilities	3,030,192,882	(39,075,909)	595,678,438	3,586,795,411
Net assets	469,491,097	(28,733,703)	74,690,016	515,447,409

31 December 2016 <i>In thousands of Naira</i>	Nigeria	Rest of Africa	Europe	Total
Derived from external customers	331,000,972	42,385,383	7,934,428	381,320,783
Derived from other segments	-	-	-	-
Total Revenue	331,000,972	42,385,383	7,934,428	381,320,783
Interest Income	210,794,456	10,563,845	25,928,334	247,286,635
Impairment Losses	(17,641,127)	(4,311,692)	-	(21,952,819)
Interest expense	(94,777,050)	(9,086,318)	(4,275,507)	(108,138,875)
Net fee and commission income	45,992,484	5,372,046	3,499,274	54,863,803
Operating Income	236,223,922	33,299,065	3,658,921	273,181,908
	236,223,922	33,299,065	3,658,921	273,181,908
Profit before income tax	80,579,576	5,257,275	4,502,605	90,339,456
Assets and liabilities:				
Loans and Advances to customers	1,698,568,920	92,329,153	18,561,100	1,809,459,172



Non current assets

Goodwill	-	681,007	-	681,007
Total assets	3,094,960,515	163,680,065	225,224,984	3,483,865,563
Deposit from customers	1,813,042,872	204,070,854	72,083,559	2,089,197,286
Total liabilities	2,673,281,895	155,057,459	201,031,629	3,029,370,984
Net assets	421,678,619	8,622,606	24,790,648	455,091,873

No revenue from transaction with a single external customer or a group of connected economic entities or counterparty amounted to 10% or more of the group's total revenue in year ended 31 December 2017 and for the year ended 31 December 2016. Information on revenue from external customers for each product and service had not been disclosed as the information is not readily available to the chief operating decision maker and the cost to develop is considered excessive.

8 Interest income

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Interest income				
Cash and balances with banks	3,478,085	1,929,092	2,385,767	1,328,371
Loans and advances to banks	2,322,596	1,587,816	112,345	149,624
Loans and advances to customers	230,824,330	198,886,057	202,309,037	172,571,696
Investment securities				
-Available for sale	31,226,746	16,769,084	29,005,464	15,366,667
-Held for trading	25,493,287	7,896,097	25,493,287	7,876,048
-Held to maturity	26,509,358	20,218,489	15,364,741	13,502,050
	319,854,402	247,286,634	274,670,641	210,794,456
Interest expense				
Deposit from financial institutions	16,715,851	7,434,354	14,788,823	6,822,272
Deposit from customers	91,365,483	77,187,483	81,326,332	60,921,911
Debt securities issued	35,947,693	18,369,256	35,947,693	13,569,723
Interest bearing borrowings and other borrowed funds	12,373,830	5,147,782	11,070,759	13,463,144
	156,402,857	108,138,875	143,133,607	94,777,050
Net interest income	163,451,545	139,147,760	131,537,034	116,017,406

Interest income for the year ended 31 December 2017 includes interest accrued on impaired financial assets of Group: N1.8Bn (31 December 2016: N2.24Bn) and Bank: N848Mn (31 December 2016: N1.74Bn).

The increase in interest income is attributable to the increase in value of loans and advances to customers and repricing.



9 Net impairment charge on financial assets

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Additional collective impairment charges on loans and advances to banks (note 22)	(18,120)	(14,300)	(18,120)	(14,300)
Additional collective impairment charges on loans and advances to customers (note 23)	(1,132,010)	(2,742,435)	(81,719)	(2,458,338)
Additional specific impairment charges on loans and advances to customers (see note 23) (a)	(32,766,818)	(17,874,149)	(29,365,940)	(13,846,554)
Additional (impairment)/write back on financial assets in other assets (see note 26)	(549,920)	(1,321,935)	315,930	(1,321,935)
	(34,466,868)	(21,952,819)	(29,149,849)	(17,641,127)

(a) The additional impairment recognised during the year was as a result of the deterioration of credit quality of risk asset during the year.

10 Fee and commission income

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Credit related fees and commissions	24,453,050	17,921,606	21,072,063	12,487,249
Account maintenance charge and handling commission	6,454,479	2,615,538	5,859,439	2,203,851
Commission on bills and letters of credit	3,499,032	2,930,468	3,499,032	2,632,733
Commissions on collections	155,278	105,197	155,278	71,022
Commission on other financial services	10,043,893	3,324,878	3,139,616	1,664,160
Commission on virtual products	2,155,190	4,102,877	2,155,190	3,005,484
Commission on foreign currency denominated transactions	3,977,588	2,819,128	3,977,588	2,569,588
Channels and other E-business income	5,790,931	21,296,440	5,782,886	21,102,094
Retail account charges	144,893	324,368	144,893	256,303
	56,674,334	55,440,500	45,785,985	45,992,484

Credit related fees and commissions are fees charged to corporate customers other than fees included in determining the effective interest rates relating to loans and advances carried at amortized cost. These fees are accounted for in accordance with the Group's revenue accounting.

Channels and other E-business income include income from electronic channels, card products and related services.

11 Net (loss)/gain on investment securities

a Net (loss)/gain on financial instruments designated as held for trading

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Fixed income securities	5,642,926	3,257,368	5,354,665	3,219,242
Derivative instruments	(39,272,532)	50,105,544	(38,413,712)	50,061,509
	(33,629,606)	53,362,912	(33,059,046)	53,280,751

Net (loss)/gains on financial instruments classified as held for trading includes the gains and losses arising both on the purchase and sale of trading instruments and from changes in fair value.



(Loss)/gain on financial instrument relates to fair value increase/(decrease) arising from derivative instruments to which the Bank is a party in the normal course of business and are held at fair value. Fair value decrease would arise from the change in rate and maturity. Derivative financial instruments consist of forward, swap and future contracts.

b Net gains on financial instruments held as available for sale

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Fixed income securities	226,381	1,688,166	226,381	1,688,166
	226,381	1,688,166	226,381	1,688,166
	(33,403,225)	55,051,078	(32,832,665)	54,968,917

12 Net foreign exchange income/(loss)

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Foreign exchange trading income (net)	120,262,351	8,844,295	116,147,446	5,232,111
Unrealised foreign exchange loss on revaluation	(12,330,254)	(5,246,704)	(12,526,107)	(5,326,545)
	107,932,097	3,597,591	103,621,339	(94,434)

Foreign exchange trading income includes realised gains on derivatives that matured during the year.



13 Other operating income

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Dividends on available for sale equity securities	2,357,175	860,339	2,357,175	860,339
Gain on disposal of property and equipment	10,090	167,340	902	143,985
Rental income	23,973	43,839	23,973	36,509
Bad debt recovered	606,397	808,458	575,787	631,191
Cash management charges	269,671	265,683	269,671	265,683
Income from agency and brokerage	105,231	147,850	105,231	136,651
Income from asset management	3,274,157	1,030,994	3,274,157	1,030,994
Income from other investments	1,221,834	271,270	159,736	24,914
Income from disposal of available for sale securities (a)	-	16,206,410	-	16,206,410
Income from other financial services	149,643	142,795	149,643	2,873
	8,018,171	19,944,978	6,916,275	19,339,549

- (a) In 2016, the income from sale of other investments represents a gain of N16.2bn on the divestment of the Bank's 17.65 percent equity stake in StanbicBTC Pension Managers. This divestment was done in compliance with the Central Bank of Nigeria (CBN) directive.

14 Personnel expenses

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Wages and salaries	51,643,332	48,450,043	39,220,187	39,323,574
Increase in liability for long term incentive plan (see note 37 (a) (i))	753,058	1,196,994	753,058	1,196,995
Contributions to defined contribution plans	1,239,712	1,087,431	776,407	748,241
Restricted share performance plan (b)	1,170,693	1,061,070	1,023,860	884,777
	54,806,795	51,795,538	41,773,512	42,153,587

- (a) Under the Restricted Share Performance Plan (RSPP), shares of the Bank are awarded to employees based on their performance at no cost to them. Under the terms of the plan, the shares vest over a 3 year period from the date of award. The scheme applies to only employees of the Bank that meet the stipulated performance criteria irrespective of where they work within the Group. The RSPP is an equity-settled scheme, where the Bank recognizes an expense and a corresponding increase in equity. Initial estimates of the number of equity settled instruments that are expected to vest are adjusted to current estimates and ultimately to the actual number of equity settled instruments that vest unless differences are due to market conditions.

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

- (i) The shares allocated to staff has a contractual vesting year of three to seven years commencing from the year of purchase/allocation to the staff. The group has no legal or constructive obligation to repurchase or settle on a cash basis.
- (ii) The number and weighted-average exercise prices of shares has been detailed in table below;



Group	December 2017		December 2016	
	Number of Shares	Weighted Share Price per Share - Naira	Number of Shares	Weighted Share Price per Share - Naira
(i) Shares allocated to staff at start of the year;	503,879,845	5.90	209,554,491	7.56
(ii) Shares allocated during the year	161,489,590	9.51	349,775,330	5.19
(iii) Forfeited during the year;	(52,308,223)	4.97	(14,057,608)	5.20
(iv) Exercised during the year;	(3,935,409)	6.22	(41,392,368)	9.76
(v) Shares allocated to staff at end of the year;	609,125,803	6.94	503,879,845	5.01
(vi) Shares under the scheme at the end of the year	646,955,092	5.80	552,268,754	5.21
	Naira ('000)	Price per Share - Naira	Naira ('000)	Price per Share - Naira
Share based expense recognised during the year	1,170,693	6.94	1,061,070	5.01

Outstanding allocated shares to staff at the end of the year have the following maturity dates

	Vesting year	Expiry date	Shares
Outstanding allocated shares for the 2016 - 2018 vesting year	2016 - 2018	31 Dec 2018	374,555,488
Outstanding allocated shares for the 2017 - 2019 vesting year	2017 - 2019	31 Dec 2019	172,425,880
Outstanding allocated shares for the 2017 - 2024 vesting year	2017 - 2024	16 Jan 2024	1,800,361
Outstanding allocated shares for the 2018 - 2025 vesting year	2018 - 2025	16 Jan 2025	12,446,084
Outstanding allocated shares for the 2019 - 2026 vesting year	2019 - 2026	17 Feb 2026	25,593,301
Outstanding allocated shares for the 2020 - 2027 vesting year	2020 - 2027	7 Mar 2027	22,304,690
			609,125,804

Bank	December 2017		December 2016	
	Number of Shares	Weighted Share Price per Share - Naira	Number of Shares	Weighted Share Price per Share - Naira
(i) Shares allocated to staff at start of the year;	470,756,837	5.93	202,485,483	7.56
(ii) Shares allocated during the year	132,468,162	10.00	323,721,330	5.19
(iii) Forfeited during the year;	(52,308,223)	5.14	(14,057,608)	5.20
(iv) Exercised during the year;	(3,935,409)	6.19	(41,392,368)	9.76
(v) Shares allocated to staff at end of the year;	546,981,368	7.25	470,756,837	5.76
(vi) Shares under the scheme at the end of the year	583,799,951	5.93	519,145,746	5.93
	Naira ('000)	Price per Share - Naira	Naira ('000)	Price per Share - Naira
Share based expense recognised during the year	1,023,860	7.25	884,777	5.76

Outstanding allocated shares to staff at the end of the year have the following maturity dates

	Vesting year	Expiry date	Shares
Outstanding allocated shares for the 2016 - 2018 vesting year	2016 - 2018	31 Dec 2018	374,555,488
Outstanding allocated shares for the 2017 - 2019 vesting year	2017 - 2019	31 Dec 2019	172,425,880
			546,981,368

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

	Group December 2017 Years	Group December 2016 Years	Bank December 2017 Years	Bank December 2016 Years
Weighted average contractual life of remaining shares	1.70	1.64	1.32	1.63



ii. The average number of persons other than directors, in employment at the Group level during the year comprise:

	Group December 2017 Number	Group December 2016 Number	Bank December 2017 Number	Bank December 2016 Number
Managerial	337	292	237	233
Other staff	3,805	3,797	2,945	2,723
	4,142	4,089	3,182	2,956

iii. Employees, other than directors, earning more than N900,000 per annum, whose duties were wholly or mainly discharged in Nigeria, received remuneration (excluding pension contributions and certain benefits) in the following ranges:

	Group December 2017 Number	Group December 2016 Number	Bank December 2017 Number	Bank December 2016 Number
Below N900,000	-	306	-	-
N900,001 - N1,990,000	11	408	11	9
N1,990,001 - N2,990,000	-	158	-	-
N2,990,001 - N3,910,000	-	71	-	-
N3,910,001 - N4,740,000	1,423	1,040	1,201	1,028
N4,740,001 - N5,740,000	-	21	-	-
N5,740,001 - N6,760,000	818	660	625	648
N6,760,001 - N7,489,000	-	31	-	-
N7,489,001 - N8,760,000	619	481	428	446
N8,760,001 - N9,190,000	464	311	341	306
N9,190,001 - N11,360,000	-	29	-	1
N11,360,001 - N14,950,000	471	296	339	276
N14,950,001 - N17,950,000	-	10	-	-
N17,950,001 - N21,940,000	224	177	170	167
N21,940,001 - N26,250,000	57	43	37	38
N26,250,001 - N30,260,000	55	3	-	-
N30,261,001 - N45,329,000	-	44	30	37
	4,142	4,089	3,182	2,956

15 Other operating expenses

<i>In thousands of Naira</i>	Group December 2017 Number	Group December 2016 Number	Bank December 2017 Number	Bank December 2016 Number
Premises and equipment costs	9,950,906	8,170,973	8,033,103	6,627,493
Professional fees	5,679,646	2,119,700	5,513,453	1,558,808
Insurance	1,332,628	1,093,148	1,068,010	893,562
Business travel expenses	6,766,599	6,980,197	6,303,654	6,442,064
Asset Management Corporation of Nigeria (AMCON) surcharge (see note (a) below)	15,474,803	12,059,720	15,474,803	12,059,720
Deposit insurance premium	5,952,588	6,002,813	5,952,588	6,002,813
Auditor's remuneration	529,006	460,182	380,000	350,000
Administrative expenses	19,027,793	16,513,674	17,904,438	15,347,843
Board expenses	671,633	526,108	521,268	386,684
Communication expenses	4,263,329	2,523,023	3,031,550	1,698,749



IT and e-business expenses	16,077,936	13,983,760	13,559,140	12,246,639
Outsourcing costs	8,277,398	7,626,411	7,305,290	6,750,086
Advertisements and marketing expenses	6,038,146	4,211,075	4,812,368	3,771,607
Recruitment and training	2,424,516	1,639,273	2,207,928	1,342,458
Events, charities and sponsorship	5,462,666	2,618,909	4,106,144	2,447,297
Periodicals and subscriptions	1,142,566	1,007,974	984,488	869,154
Security expenses	3,518,297	3,104,455	3,201,277	2,691,644
Cash processing and management cost	2,148,653	1,671,083	1,846,990	1,548,319
Stationeries, postage and printing	1,532,751	1,576,253	1,330,451	1,205,990
Office provisions and entertainment	694,447	475,289	303,389	297,801
Net litigations claims (see note 34(i))	152,923	49,496	152,924	49,496
	117,119,230	94,413,516	103,993,256	84,588,227

(a) This represents the Group's contribution to AMCON's sinking fund for the year ended 31 December 2017. All deposit money banks in Nigeria are required to contribute 0.5% of total assets as at the preceding year end to AMCON's sinking fund in line with existing guidelines. It is non-refundable and does not represent any ownership interest nor does it confer any rights or obligations (save to pay the levy) on the contributor.

16 Income tax expense

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Current tax expense				
Corporate income tax	9,124,532	6,096,035	5,640,954	3,571,312
IT tax	670,435	805,796	670,435	805,796
Education tax	1,081,841	-	1,081,841	-
Capital gains tax	11,145	3,808	11,145	3,808
Prior year's under provision	1,841,940	-	1,841,940	-
	12,729,883	6,905,639	9,246,315	4,380,916
Deferred tax expense				
Origination of temporary differences	5,351,746	11,994,470	4,558,364	12,172,525
Income tax expense	18,081,628	18,900,109	13,804,679	16,553,441
Items included in OCI				
Income tax expense	188,399	-	188,399	-
	18,270,027	18,900,109	13,993,078	16,553,441

The movement in the current income tax liability is as follows:

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Balance at the beginning of the year	5,938,662	7,780,824	5,004,160	6,442,311
Tax paid	(9,458,675)	(8,007,140)	(7,860,615)	(5,222,302)
Income tax charge	10,887,942	6,905,639	7,404,375	4,380,916
Prior year's under provision	1,841,940	-	1,841,940	-
Withholding tax utilisation	(1,841,940)	(596,764)	(1,841,940)	(596,765)
Translation adjustments	121,655	(143,897)	-	-
Balance at the end of the year	7,489,586	5,938,662	4,547,920	5,004,160

Income tax liability is to be within one year



<i>In thousands of Naira</i>	Group December 2017	Group December 2017	Group December 2016	Group December 2016
Profit before income tax		80,072,480		90,339,456
Income tax using the domestic tax rate	30%	24,021,744	30%	27,101,837
Effect of tax rates in foreign jurisdictions	-1%	(444,737)	0%	(399,963)
Information technology tax	1%	670,435	1%	805,796
Non-deductible expenses	33%	26,198,636	20%	18,083,506
Tax exempt income	-47%	(37,323,381)	-36%	(32,335,829)
Education tax levy	1%	1,081,841	0%	-
Capital gain tax	0%	11,145	0%	3,808
Prior year's under provision	2%	1,841,940	0%	-
Impact of dividend	3%	2,024,004	6%	5,640,954
Effective tax rate	23%	18,081,628	21%	18,900,109

<i>In thousands of Naira</i>	Bank December 2017	Bank December 2016	Bank December 2017	Bank December 2016
Profit before income tax		67,043,501		80,579,576
Income tax using the domestic tax rate	30%	20,113,050	30%	24,173,873
Information technology tax	1%	670,435	1%	805,796
Non-deductible expenses	37%	25,140,338	23%	18,188,958
Tax exempt income	-55%	(37,078,075)	-40%	(32,259,947)
Education tax levy	2%	1,081,841	0%	-
Capital gain tax	0%	11,145	0%	3,808
Prior year's under provision	3%	1,841,940	0%	-
Impact of dividend	3%	2,024,004	7%	5,640,953
Effective tax rate	21%	13,804,679	21%	16,553,441

17 Earnings per share

(a) Basic from continuing operations

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the company and held as treasury shares.

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Profit for the year from continuing operations	61,977,762	71,117,025	53,238,822	64,026,135
Weighted average number of ordinary shares in issue	28,927,972	28,927,972	28,927,972	28,927,972
Weighted average number of treasury Shares	509,006	461,618	-	-
	28,418,966	28,466,354	28,927,972	28,927,972
<i>In kobo per share</i>				
Basic earnings per share from continuing operations	218	250	184	221



Diluted earnings per share is calculated by considering the impact of the treasury shares in weighted average number of ordinary shares outstanding

Potential Diluted EPS

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Profit for the year from continuing operations	61,977,762	71,117,025	53,238,822	64,026,135
Weighted average number of ordinary shares in issue	28,927,972	28,927,972	28,927,972	28,927,972
In kobo per share				
Diluted earnings per share from continuing operations	214	246	184	221

18 Cash and balances with banks

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Cash on hand and balances with banks (see note (i))	217,912,766	115,380,195	177,809,307	106,594,205
Restricted deposits with Central Banks (see note (ii))	357,173,356	250,831,529	354,986,209	248,547,664
Unrestricted balances with Central Banks	28,837,649	139,954,922	7,976,547	33,160,736
Money market placements	261,805,783	119,826,012	28,157,562	41,798,197
Other deposits with Central Banks (see note (iii))	88,214,622	87,896,447	88,214,622	87,896,447
	953,944,176	713,889,105	657,144,247	517,997,249

- (i) Included in cash on hand and balances with banks is an amount of N33.045Bn (31 Dec 2016: N46.956Bn) representing the Naira value of foreign currencies held on behalf of customers to cover letter of credit transactions. The corresponding liability is included in customer's deposit for foreign trade reported under other liabilities (see Note 34). This has been excluded for cash flow purposes.
- (ii) Restricted deposits with Central Banks comprise the cash reserve requirements of the Central Bank of Nigeria and other Central Banks of jurisdictions that the group operates in. These balances are not available for day to day operations of the group.
- (iii) Other deposits with Central Banks comprise a special intervention fund with the Central Bank of Nigeria of N49.6Bn introduced in January 2016 as a reduction in the cash reserve ratio with a view of channeling the reduction to financing the real sector. The special intervention fund is restricted and not available for day to day use by the Bank. The balance of N35.39Bn represents the nominal value of outstanding forward contracts entered on behalf of customers with Central Bank of Nigeria.

19 Investment under management

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Relating to unclaimed dividends:				
Government Bonds	357,441	-	357,441	-
Placements	6,283,077	1,070,385	6,283,077	1,070,385
Commercial Paper	6,992,904	6,454,067	6,992,904	6,454,067
Nigerian Treasury Bills	1,972,963	2,887,102	1,972,963	2,887,102
Mutual Funds	2,664,746	2,629,693	2,664,746	2,629,693
Other(s)				
Eurobonds	1,986,000	1,830,000	1,986,000	1,830,000
	20,257,131	14,871,247	20,257,131	14,871,247



The Bank entrusted the sum transferred to it by the Registrars in respect of unclaimed dividends with select Asset Managers who will ensure safekeeping and manage the funds for the benefit of the Bank. The investments by the Asset Managers are as listed above (the corresponding liability which is due to the Registrar is reported as "unclaimed dividend" in Other liabilities).

20 Non pledged trading assets

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Government bonds	9,031,525	10,170,293	9,031,525	10,170,293
Eurobonds	19,369	18,304	19,369	18,304
Treasury bills	37,743,819	34,381,635	33,906,748	34,381,635
Equity securities	59,348	59,347	59,348	59,347
	46,854,061	44,629,579	43,016,990	44,629,579

21 Derivative financial instruments

In thousands of Naira

Group	Notional amount	Fair Value Assets/ (Liabilities)	Notional amount	Fair Value Assets/ (Liabilities)
	December 2017		December 2016	
Foreign exchange derivatives				
Total derivative assets	426,342,495	93,419,293	709,617,854	156,042,984
Non-deliverable Future contracts	280,403,522	8,311,492	390,410,492	65,280,723
Forward and Swap contract	145,938,973	85,107,801	319,207,362	90,762,261
Total derivative liabilities	237,298,924	(5,332,177)	223,456,040	(30,444,501)
Non-deliverable Future contracts	145,200,611	(1,314,399)	41,349,705	(10,668,412)
Forward and Swap contract	92,098,313	(4,017,778)	182,106,335	(19,776,089)
	Notional amount	Fair Value Assets/ (Liabilities)	Notional amount	Fair Value Assets/ (Liabilities)
	December 2017		December 2016	
Bank				
Foreign exchange derivatives				
Total derivative assets	390,798,265	92,390,219	698,771,698	155,772,662
Non-deliverable Future contracts	145,938,973	8,311,492	319,207,362	65,280,723
Forward and Swap contract	244,859,292	84,078,727	379,564,336	90,491,939
Total derivative liabilities	233,911,428	(5,306,450)	201,664,660	(30,275,181)
Non-deliverable Future contracts	145,200,611	(1,314,399)	41,349,705	(10,668,411)
Forward and Swap contract	88,710,817	(3,992,051)	160,314,955	(19,606,770)



Derivative financial instruments consist of forward, swap and future contracts. These are held for day to day cash management rather than for trading purposes and are held at fair value. The contracts have intended settlement dates of between 30 days and two years. All derivative contracts are considered to be valued with reference to data obtained from the Financial Market Dealer Quotation (FMDQ).

Included in other liabilities are security deposit for Swap and future deals which are deposits (collateralised deposits) by counter parties.

The movement in fair value is as a result of a depreciation of the functional currency of the group (Naira) within the year and a decrease in the volume of transactions.

22 Loans and advances to banks

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Loans and advances to banks	68,155,581	45,226,388	101,470,507	104,029,960
Less collective allowances for impairment	(41,506)	(23,386)	(41,506)	(23,386)
	68,114,076	45,203,002	101,429,001	104,006,574

Collective allowances for impairment on loans and advances to banks

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Balance beginning of year	23,386	9,086	23,386	9,086
- Charge for the year	18,120	14,300	18,120	14,300
Balance end of year	41,506	23,386	41,506	23,386

23 Loans and advances to customers

a Group

December 2017 <i>In thousands of Naira</i>	Gross amount	Specific impairment allowance	Collective impairment allowance	Total impairment allowance	Carrying amount
Loans to individuals					
Retail Exposures					
Auto Loan (note 23c)	1,878,145	-	(28,513)	(28,513)	1,849,632
Credit Card	3,019,121	(4,573)	(49,438)	(54,011)	2,965,110
Finance Lease (note 23c)	1,226,099	(5,475)	(2,528)	(8,003)	1,218,096
Mortgage Loan	33,118,619	-	(78,340)	(78,340)	33,040,279
Overdraft	2,494,735	(138,278)	(181,960)	(320,238)	2,174,497
Personal Loan	17,615,988	(224,442)	(253,600)	(478,042)	17,137,946
Term Loan	7,175,548	(40,237)	(68,982)	(109,219)	7,066,329
Time Loan	902,195	-	(17,426)	(17,426)	884,769
Loans to corporate entities and other organizations					
Non-Retail Exposures					
Auto Loan (note 23c)	1,620,583	-	(20,156)	(20,156)	1,600,427
Credit Card	453,502	(1,036)	(6,654)	(7,690)	445,812
Finance Lease (note 23c)	3,620,889	(142,940)	(53,943)	(196,883)	3,424,006
Mortgage Loan	10,584,856	-	(2,199)	(2,199)	10,582,657
Overdraft	199,670,621	(11,268,914)	(5,686,787)	(16,955,701)	182,714,920
Term Loan	1,269,478,525	(23,972,545)	(13,331,658)	(37,304,203)	1,232,174,322
Time Loan	506,996,016	(5,987,074)	(2,300,118)	(8,287,191)	498,708,825
	2,059,855,443	(41,785,514)	(22,082,302)	(63,867,816)	1,995,987,627



Group

December 2016 <i>In thousands of Naira</i>	Gross amount	Specific impairment allowance	Collective impairment allowance	Total impairment allowance	Carrying amount
Loans to individuals					
Retail Exposures					
Auto Loan (note 23c)	2,511,013	-	(42,628)	(42,628)	2,468,384
Credit Card	3,475,443	(4,367)	(58,216)	(62,583)	3,412,860
Finance Lease (note 23c)	60,912	-	(1,053)	(1,053)	59,859
Mortgage Loan	24,375,564	-	(79,867)	(79,867)	24,295,697
Overdraft	5,639,049	(264,216)	(538,680)	(802,896)	4,836,153
Personal Loan	18,754,870	(286,847)	(395,950)	(682,798)	18,072,072
Term Loan	6,964,075	-	(46,451)	(46,451)	6,917,624
Time Loan	721,711	-	(11,667)	(11,667)	710,044
Loans to corporate entities and other organizations					
Non-Retail Exposures					
Auto Loan (note 23c)	2,003,352	-	(20,988)	(20,988)	1,982,363
Credit Card	576,553	-	(10,178)	(10,178)	566,375
Finance Lease (note 23c)	3,946,347	-	(18,308)	(18,308)	3,928,039
Mortgage Loan	5,929,037	-	(4,176)	(4,176)	5,924,861
Overdraft	181,242,213	(8,677,151)	(2,111,511)	(10,788,662)	170,453,553
Term Loan	1,102,912,471	(5,523,054)	(15,587,793)	(21,110,847)	1,081,801,625
Time Loan	486,052,854	(92)	(2,023,099)	(2,023,191)	484,029,664
	1,845,165,465	(14,755,727)	(20,950,566)	(35,706,293)	1,809,459,172

Impairment on loans and advances to customers

<i>In thousands of Naira</i>	Specific allowances		Collective allowances	
	December 2017	December 2016	December 2017	December 2016
Balance beginning of year	14,755,727	10,482,678	20,950,565	18,208,130
Impairment loss for the year:				
- Charge for the year	32,766,818	17,874,149	1,132,010	2,742,435
Write-offs	(5,737,029)	(13,601,100)	(273)	-
Balance end of year	41,785,516	14,755,727	22,082,302	20,950,565

23 Loans and advances to customers

b Bank

December 2017 <i>In thousands of Naira</i>	Gross amount	Specific impairment allowance	Collective impairment allowance	Total impairment allowance	Carrying amount
Loans to individuals					
Retail Exposures					
Auto Loan (note 23c)	1,671,616	-	(28,513)	(28,513)	1,643,103
Credit Card	2,905,420	(4,573)	(49,001)	(53,574)	2,851,846
Finance Lease (note 23c)	63,923	-	(1,560)	(1,560)	62,363
Mortgage Loan	4,230,374	-	(67,507)	(67,507)	4,162,867
Overdraft	2,367,502	(138,090)	(181,960)	(320,050)	2,047,453
Personal Loan	15,085,225	(219,417)	(252,613)	(472,030)	14,613,195
Term Loan	3,125,406	(40,237)	(51,323)	(91,560)	3,033,846
Time Loan	804,672	-	(13,266)	(13,266)	791,406



Loans to corporate entities and other organizations

Non-Retail Exposures

Auto Loan (note 23c)	1,620,583	-	(20,156)	(20,156)	1,600,427
Credit Card	418,797	(1,036)	(6,008)	(7,044)	411,753
Finance Lease (note 23c)	3,620,889	(142,940)	(53,943)	(196,884)	3,424,005
Mortgage Loan	-	-	-	-	-
Overdraft	154,534,930	(10,481,531)	(4,039,943)	(14,521,474)	140,013,456
Term Loan	1,194,329,450	(19,011,299)	(13,240,527)	(32,251,825)	1,162,077,625
Time Loan	442,793,354	(5,977,635)	(2,266,325)	(8,243,960)	434,549,394
	1,827,572,141	(36,016,759)	(20,272,643)	(56,289,402)	1,771,282,739

Bank

December 2016

In thousands of Naira

	Gross amount	Specific impairment allowance	Collective impairment allowance	Total impairment allowance	Carrying amount
Loans to individuals					
Retail Exposures					
Auto Loan (note 23c)	2,426,024	-	(41,976)	(41,976)	2,384,048
Credit Card	3,431,339	(4,367)	(57,775)	(62,142)	3,369,197
Finance Lease (note 23c)	60,912	-	(1,053)	(1,053)	59,859
Mortgage Loan	5,053,845	-	(75,135)	(75,135)	4,978,710
Overdraft	5,033,990	(115,021)	(515,982)	(631,003)	4,402,987
Personal Loan	17,369,909	(285,812)	(294,993)	(580,805)	16,789,104
Term Loan	2,427,653	-	(42,759)	(42,759)	2,384,894
Time Loan	586,532	-	(10,139)	(10,139)	576,394
Loans to corporate entities and other organizations					
Non-Retail Exposures					
Auto Loan (note 23c)	2,003,352	-	(20,856)	(20,856)	1,982,496
Credit Card	563,357	-	(10,178)	(10,178)	553,179
Finance Lease (note 23c)	3,946,347	-	(18,308)	(18,308)	3,928,038
Mortgage Loan	18,437	-	(195)	(195)	18,242
Overdraft	135,065,623	(7,573,737)	(1,609,209)	(9,182,946)	125,882,676
Personal Loan	1,032,873,587	(2,105,379)	(15,506,849)	(17,612,228)	1,015,261,360
Term Loan	413,976,953	-	(1,985,791)	(1,985,792)	411,991,161
Time Loan					
	1,624,837,860	(10,084,316)	(20,191,199)	(30,275,515)	1,594,562,345

Impairment on loans and advances to customers

<i>In thousands of Naira</i>	Specific Impairment		Collective Impairment	
	December 2017	December 2016	December 2017	December 2016
Balance beginning of year	10,084,316	9,173,223	20,191,198	17,732,860
Impairment loss for the year:				
- Charge for the year	29,365,940	13,846,554	81,718	2,458,338
Write-offs	(3,433,497)	(12,935,461)	(273)	-
Balance end of year	36,016,759	10,084,316	20,272,643	20,191,198



23(c) Advances under finance leases

Loans and advances to customers at amortised cost include the following finance lease receivables for leases of certain property automobile/ vehicle and equipment where the group is the lessor:

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Gross investment in finance lease, receivable	10,199,511	10,459,206	8,389,355	10,327,104
Unearned finance income on finance leases	(1,853,795)	(1,937,583)	(1,412,345)	(1,890,469)
Net investment in finance leases	8,345,716	8,521,623	6,977,010	8,436,635
Gross investment in finance leases, receivable:				
Less than one year	965,517	2,217,863	929,601	2,286,156
Between one and five years	9,013,294	7,976,709	7,319,275	7,782,749
Later than five years	136,735	264,634	140,479	258,199
	10,115,546	10,459,206	8,389,355	10,327,104
Unearned finance income on finance leases	(1,769,831)	(1,937,583)	(1,412,345)	(1,890,469)
Present value of minimum lease payments	8,345,715	8,521,623	6,977,010	8,436,635
Present value of minimum lease payments may be analysed as:				
- Less than one year	784,328	2,018,383	874,224	2,091,526
- Between one and five years	7,468,946	6,215,439	5,992,296	6,064,306
- Later than five years	92,443	287,801	110,489	280,803

24 Pledged assets

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Treasury bills	258,672,815	188,239,520	252,061,738	188,239,520
Government bonds	188,441,589	126,707,982	188,441,589	126,707,982
The related liability for assets pledged as collateral include:	447,114,404	314,947,502	440,503,327	314,947,502
Bank of Industry (BOI)	18,309,954	39,566,300	18,309,954	39,566,300

- (i) The assets pledged as collateral include assets pledged to third parties under secured borrowing with the related liability disclosed above. Pledge assets include pledges to counter parties for derivatives of N374.7bn (31 December 2016: N265.3bn). Also included in pledged assets are assets pledged as collateral or security deposits to clearing house and payment agencies of N36.47bn (31 December 2016: N17.58Bn) for which there is no related liability. The pledges have been made in the normal course of business of the Bank. In the event of default, the pledgee has the right to realise the pledged assets.



25 Investment securities

Available for sale investment securities	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
<i>In thousands of Naira</i>				
Debt securities				
Government bonds	34,112,643	11,738,700	9,319,691	546,733
Treasury bills	29,977,451	69,346,601	9,598,737	40,960,666
Eurobonds	1,572,222	2,760,661	352,100	2,760,661
Corporate bonds	3,744,387	3,431,482	3,744,387	3,431,482
State government bonds	14,650,116	14,961,006	14,650,116	14,961,006
Equity securities				
Equity securities with readily determinable fair values (i)	69,581,098	58,667,555	69,181,956	58,420,406
Unquoted equity securities at cost	3,145,697	3,145,697	3,145,697	3,145,697
	156,783,614	164,051,703	109,992,684	124,226,651
Specific allowance for impairment on available for sale investments	(3,409,804)	(3,389,059)	(3,409,804)	(3,389,059)
	153,373,810	160,662,644	106,582,880	120,837,592

The fair value of the unquoted equity securities carried at cost cannot be reliably estimated as there are no active market for these financial instruments; they have therefore been disclosed at cost less impairment. These equity investments have been fully impaired and has a nil balance in the group financial statement.

(i) Equity securities with readily determinable fair values (carrying amount)

MTN Nigeria	8,760,176	7,451,138	8,760,176	7,451,138
Central Securities Clearing System Limited	1,343,868	1,559,612	1,343,868	1,559,612
Nigeria Interbank Settlement System Plc.	3,396,757	1,175,570	3,396,757	1,175,570
Unified Payment Services Limited	3,130,451	2,340,346	3,130,451	2,340,346
Africa Finance Corporation	50,882,911	44,230,177	50,882,911	44,230,177
E-Tranzact	1,147,387	1,147,387	1,147,387	1,147,387
African Export-import Bank	14,984	10,754	14,984	10,754
FMDQ OTC Plc	130,610	130,610	130,610	130,610
Nigerian Mortgage Refinance Company Plc.	93,186	93,186	93,186	93,186
Credit Reference company	281,626	281,626	281,626	281,626
Others	399,142	247,149	-	-
	69,581,098	58,667,555	69,181,956	58,420,406

Held to maturity investment securities

In thousands of Naira

Debt securities				
Treasury bills	88,203,365	27,350,114	5,837,568	-
Federal government bonds	30,127,895	31,754,372	2,654,168	31,016,409
State government bonds	3,786,715	5,276,855	3,786,715	5,276,855
Corporate bonds	610,777	1,624,228	610,777	1,624,228
Eurobonds	2,065,195	2,445,558	2,065,195	2,445,558
	124,793,947	68,451,128	14,954,423	40,363,050
Total	278,167,757	229,113,772	121,537,303	161,200,642



Specific allowance for impairment on available for sale investment securities

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Balance, beginning of year	3,389,059	3,326,078	3,389,059	3,326,078
Allowance written off	-	(21,358)	-	(21,358)
Revaluation difference	20,745	84,338	20,745	84,339
Balance, end of year	3,409,804	3,389,059	3,409,804	3,389,059

26 Other assets

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Financial assets				
Accounts receivable	29,153,377	23,063,084	15,988,773	13,804,165
Receivable on E-business channels	16,502,776	2,333,865	16,502,776	2,253,689
Receivable from disposal of non-current asset	-	19,341,974	-	19,341,974
Deposit for investment in AGSMEIS (i)	3,201,307	-	3,201,307	-
Subscription for investment	612,055	25,003	920,768	833,102
	49,469,515	44,763,926	36,613,624	36,232,930

- (i) Deposit for investment in AGSMEIS represents the Bank's deposit as equity investment in Agri-business/Small and Medium Enterprises Investment Scheme.
As approved by the Bankers' Committee on 9th February 2017, all Deposit Money Banks are required to invest 5% of prior year's Profit After Tax as equity investment in the scheme.
- (ii) Subscription for investment balance relate to deposit paid for the acquisition of equity investments for which shares have not been issued to the bank

Non-financial assets

Prepayments	34,611,077	20,751,238	29,329,123	16,668,917
Inventory	1,343,160	707,748	1,343,160	660,491
	35,954,237	21,458,986	30,672,283	17,329,408
Gross other assets				
	85,423,752	66,222,912	67,285,907	53,562,338
Allowance for impairment on financial assets				
Accounts receivable	(2,645,320)	(2,942,857)	(2,071,109)	(2,942,857)
Subscription for investment	(25,001)	(25,001)	(25,001)	(25,001)
	82,753,433	63,255,054	65,189,797	50,594,480

Movement in allowance for impairment on other assets:

<i>In thousands of Naira</i>	Group Accounts Receivable	Group subscription for investments	Bank Accounts Receivable	Bank subscription for investments
Balance as at 1 January 2016	2,635,576	25,001	2,635,576	25,001
<i>Impairment loss for the year:</i>				
- Additional provision	1,321,935	-	1,321,935	-
Net impairment	1,321,935	-	1,321,935	-
Allowance written off	(1,016,504)	-	(1,016,504)	-
Revaluation difference	1,849	-	1,849	-
Balance as at 31 December 2016/1 January 2017	2,942,856	25,001	2,942,857	25,001



Impairment loss for the year:

- Additional provision	549,920	-	(315,930)	-
Net impairment	549,920	-	(315,930)	-
Allowance written off	(847,456)	-	(555,818)	-
Balance as at 31 December 2017	2,645,320	25,001	2,071,109	25,001

Inventory consists of blank debit cards, cheque leaves, computer consumables and other stationery held by the Bank. Increase in prepayments resulted from services that have been paid in advance for the year for which the amortization will be over the relevant year of service. These include rents and advertisements.

27(a) Subsidiaries (with continuing operations)

(i) Group entities

Set out below are the group's subsidiaries as at 31 December 2017. Unless otherwise stated, the subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the group and the proportion of ownership interests held equals to the voting rights held by the group. The country of incorporation is also their principal place of business.

There are no significant restrictions on the Group's ability to access or use the assets and settle the liabilities of any member of the Group to the extent that regulation does not inhibit the group from having access, and in liquidation scenario, this restriction is limited to its level of investment in the entity.

There are no significant restrictions on the ability of subsidiaries to transfer funds to the Group in the form of cash dividends or repayment of loans and advances

	Nature of business	Country of incorporation	Ownership interest	
			December 2017	December 2016
Access Bank Gambia Limited	Banking	Gambia	88%	64%
Access Bank Sierra Leone Limited	Banking	Sierra Leone	97%	97%
Access Bank Rwanda Limited	Banking	Rwanda	75%	75%
Access Bank Zambia	Banking	Zambia	70%	92%
The Access Bank UK	Banking	United Kingdom	100%	100%
Access Bank R.D. Congo	Banking	Congo	99.98%	74%
Access Bank Ghana	Banking	Ghana	91%	91%
Access Finance B.V.	Banking	Netherlands	100%	100%

Access Finance B.V. was incorporated in 2011 and commenced operations in 2012. An obligation also exists between the Bank and Access Finance B.V., for which Access Finance B.V. lent to the Bank the sum of USD 2,462,000 as a share premium loan. The loan agreement between both parties however permits that the obligation of Access Finance B.V. to grant the loan, be set off against the obligation of the Bank to repay the loan such that each party's obligation either as a borrower or lender is discharged. In view of this, no loan payable has been recognized in the Bank's financial statements.

The transaction for which the entity was set up matured during the year. Management has not decided on the possibility of the entity existing beyond the maturity of the obligation.



(ii) **Structured entities:**

Ownership interest

	Nature of business	Country of incorporation	December 2017	December 2016
Restricted Share Performance Plan (RSPP)	Financial services	Nigeria	100%	100%

27(b) Investment in subsidiaries

<i>In thousands of Naira</i>	Bank December 2017	Bank December 2016
Subsidiaries with continuing operations		
Access Bank, UK	40,500,598	29,104,081
Access Bank, Ghana	15,558,107	15,558,107
Access Bank Rwanda	1,578,825	1,578,825
Access Bank, Congo	13,205,189	2,779,650
Access Bank, Zambia	4,274,925	4,274,925
Access Bank, Gambia	7,061,501	1,853,756
Access Bank, Sierra Leone	1,582,486	1,019,951
Investment in RSPP scheme	4,028,909	3,065,865
Access Finance B.V.	4,092	4,092
Balance, end of year	87,794,631	59,239,252

Based on the contractual arrangements between the Group and the Shareholders in each of the entities, the Group has the power to appoint and remove the majority of the Board of Directors of each entity.

The relevant activities of each of the listed subsidiaries are determined by the Board of Director of each entity based on simple majority shares. Therefore, the directors of the Group concluded that the Group has control over each of the above listed entities and were consolidated in the group financial statements.

27 (c) Condensed results of consolidated entities

(i) The condensed financial data of the consolidated entities as at 31 December 2017, are as follows:

Condensed profit and loss	The Access Bank										Access Bank B.V.	
	Bank UK	Ghana	Rwanda	(R.D. Congo)	Zambia	Gambia	Sierra Leone	Investment in RSPP	Access Bank	Access Bank		
<i>In thousands of Naira</i>												
Operating income	14,962,209	21,529,191	3,084,907	4,172,949	1,686,079	1,028,016	986,333	-	-	118,255		
Operating expenses	(6,048,057)	(14,070,445)	(2,773,919)	(3,410,831)	(2,428,083)	(798,685)	(718,476)	-	-	(28,157)		
Net impairment loss on financial assets	-	(3,062,381)	(14,651)	(393)	(1,157,400)	(22,008)	(5,475)	-	-	-		
Profit before tax	8,914,151	4,396,365	296,337	761,726	(1,899,404)	207,322	262,381	-	-	90,098		
Income tax expense	(1,810,740)	(2,175,631)	(189,704)	-	-	(25,970)	(76,147)	-	-	1,243		
Profit for the year	7,103,411	2,220,734	106,633	761,726	(1,899,404)	181,352	186,234	-	-	91,342		
Assets												
Cash and cash equivalents	311,472,705	86,741,693	15,134,815	20,494,593	13,555,223	1,958,940	1,191,427	-	-	502,841		
Non pledged trading assets	-	3,837,071	-	-	-	-	-	-	-	-		
Pledged assets	-	-	-	-	-	6,611,077	-	-	-	-		
Derivative financial instruments	876,441	-	152,633	-	-	-	-	-	-	-		
Loans and advances to banks	163,088,579	-	-	-	-	-	-	-	-	-		
Loans and advances to customers	129,404,746	69,137,927	12,701,441	8,895,050	3,389,900	561,819	702,133	-	-	-		
Investment securities	63,926,977	67,369,279	4,916,259	-	16,873,602	762,287	2,782,050	4,028,910	-	-		
Other assets	2,178,222	12,335,432	779,994	1,064,059	1,952,200	1,133,583	551,709	-	-	-		
Investment in subsidiaries	-	-	-	-	-	-	-	-	-	-		
Property and equipment	183,100	9,540,301	447,829	1,355,224	802,356	813,711	295,397	-	-	-		
Intangible assets	324,125	330,471	635,960	108,950	117,500	84,665	31,270	-	-	-		
Deferred tax assets	-	197,789	-	-	482,534	-	60,079	-	-	-		
	671,454,895	249,489,963	34,768,931	31,917,876	37,173,315	11,926,082	5,614,065	4,028,910	-	502,841		
Financed by:												
Deposits from banks	387,555,089	14,810,633	-	-	2,136,129	18,579	-	-	-	-		
Deposits from customers	203,729,763	167,004,704	28,071,794	18,694,179	25,324,734	7,672,977	3,738,792	-	-	-		
Derivative Liability	25,727	-	-	-	-	-	-	-	-	-		
Debt securities issued	-	-	-	-	-	-	-	-	-	-		
Retirement benefit obligations	-	-	-	-	-	-	13,358	-	-	-		
Current tax liabilities	1,195,829	1,540,259	45,738	130,601	-	-	-	-	-	29,239		
Other liabilities	4,625,682	1,842,876	606,838	8,825,132	639,747	761,165	140,223	-	-	47,737		
Interest-bearing loans and borrowings	-	26,819,317	2,156,640	-	350,090	-	-	-	-	-		
Deferred tax liabilities	58,656	641,257	154,059	-	-	61,775	-	-	-	-		
Equity	74,264,149	36,830,917	3,733,862	4,267,964	8,722,615	3,411,586	1,721,692	4,028,910	-	425,865		
	671,454,895	249,489,963	34,768,931	31,917,876	37,173,315	11,926,082	5,614,065	4,028,910	-	502,841		



Net cashflow from investing activities	(31,154,411)	(2,020,906)	(3,548,214)	(387,615)	567,561	120,490	-	-	68,162,205
Net cashflow from financing activities	10,255,390	7,247,347	(114,281)	-	(17,799)	-	(57,088)	-	(67,394,003)
Increase in cash and cash equivalents	47,114,822	61,467,964	505,117	17,133,014	17,141,349	697,018	(367,610)	-	855,278
Cash and cash equivalent, beginning of year	192,853,632	33,677,911	8,240,384	2,523,369	9,360,900	810,868	1,144,498	-	152,390,477
Effect of exchange rate fluctuations on cash held	-	-	-	-	-	-	-	-	(863,274)
Cash and cash equivalent, end of year	239,968,454	95,145,875	8,745,501	19,656,383	26,502,249	1,507,886	776,888	-	152,382,481

27 (d) Condensed results of consolidated entities

(i) The condensed financial data of the consolidated entities as at 31 December 2016, are as follows:

	The Access Bank UK	Access Bank Ghana	Access Bank Rwanda	Access Bank (R.D. Congo)	Access Bank Zambia	Access Bank Gambia	Access Bank Sierra Leone	Access Bank Investment in RSPP	Access Bank B.V.
Condensed profit and loss									
<i>In thousands of Naira</i>									
Operating income	8,563,021	18,801,271	2,734,273	2,489,687	1,742,976	930,033	949,130	-	170,898
Operating expenses	(4,223,554)	(10,518,589)	(2,214,927)	(2,036,649)	(1,429,535)	(639,171)	(716,827)	-	(7,757)
Net impairment loss on financial assets	-	(3,697,655)	(648,310)	(1,095)	(309,215)	(106,733)	(71,390)	-	-
Profit before tax	4,339,467	4,585,027	(128,964)	451,943	4,226	184,129	160,913	-	163,141
Income tax expense	(867,924)	(2,560,584)	(15,851)	(15,897)	(21,186)	(19,586)	(4,297)	-	(12,084)
Profit for the year	3,471,543	2,024,443	(144,815)	436,046	(16,960)	164,544	156,617	-	151,057

Statement of financial position as at 31 December 2016

	Access Bank UK	Access Bank Ghana	Access Bank Rwanda	Access Bank (R.D. Congo)	Access Bank Zambia	Access Bank Gambia	Access Bank Sierra Leone	Access Bank Investment in RSPP	Access Bank B.V.
Assets									
Cash and cash equivalents	206,090,386	53,060,292	12,843,280	4,081,910	7,748,129	1,850,740	3,189,614	-	433,441
Derivative financial instruments	-	-	152,386	-	-	-	-	-	-
Loans and advances to banks	105,115,705	-	-	-	-	-	-	-	72,641,947
Loans and advances to customers	90,553,072	93,656,210	12,888,097	11,764,620	4,580,996	1,011,580	442,252	-	-
Pledged assets	-	-	-	-	-	-	-	-	-
Investment securities	23,316,245	30,800,861	1,390,502	-	2,211,138	6,332,347	4,082,549	3,286,375	-
Other assets	1,668,759	8,262,701	354,956	746,564	2,484,113	197,067	476,666	-	4,319
Investment in subsidiaries	-	-	-	-	-	-	-	-	-
Property and equipment	98,390	8,039,370	733,065	1,425,053	734,526	845,655	408,520	-	-
Intangible assets	320,219	436,493	-	85,669	100,736	102,207	39,440	-	-
Deferred tax assets	-	1,014,466	-	-	432,094	-	168,936	-	-

	427,162,776	195,270,393	28,362,286	18,103,816	18,291,733	10,339,595	8,807,979	3,286,375	73,079,707
Financed by:									
Deposits from banks	261,480,316	14,677,731	-	2,171,148	1,245,861	-	787,165	-	-
Deposits from customers	119,243,361	146,112,643	22,459,781	10,524,795	12,947,085	6,389,283	5,637,268	-	-
Derivative Liability	51,382	303,345	211,019	-	-	82,930	-	-	-
Debt securities issued	-	-	-	-	-	-	-	-	72,592,084
Retirement benefit obligations	841	9,921	-	-	95	-	-	-	-
Current tax liabilities	607,272	1,843,534	(126,448)	63,564	-	7,331	-	-	60,674
Other liabilities	1,998,068	1,498,809	614,869	834,620	642,039	686,957	477,233	-	41,673
Interest-bearing loans and borrowings	-	159,393	1,848,571	-	-	-	-	-	-
Equity	43,781,536	30,665,017	3,354,496	4,509,689	3,456,653	3,173,092	1,906,313	3,286,375	385,276
	427,162,776	195,270,393	28,362,286	18,103,816	18,291,733	10,339,595	8,807,979	3,286,375	73,079,707



28 (i) Property and equipment

Group

In thousands of Naira

Cost	Leasehold improvement and building	Leasehold Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital Work-in-progress	Total
Balance at 1 January 2017	55,996,220	9,742,073	24,028,522	35,303,353	11,615,441	5,491,263	142,176,872
Acquisitions	3,052,577	-	824,948	12,003,579	4,016,068	3,989,340	23,886,512
Disposals	(134,651)	-	(142,057)	(379,433)	(298,209)	-	(954,350)
Transfers	1,359,946	-	79,880	33,632	12,132	(1,485,590)	-
Translation difference	9,229	-	130,426	(141,548)	(131,460)	638,935	505,582
Balance at 31 December 2017	60,283,321	9,742,073	24,921,719	46,819,583	15,213,972	8,633,948	165,614,616
Balance at 1 January 2016	49,254,893	7,818,982	17,762,955	29,241,820	9,898,894	7,755,533	121,733,077
Acquisitions	2,058,046	1,923,091	5,474,190	4,978,500	1,785,155	1,823,777	18,042,759
Disposals	(122,313)	-	(290,101)	(530,187)	(558,855)	(129,535)	(1,630,992)
Transfers	3,586,520	-	74,632	87,346	-	(3,748,497)	-
Write-offs	(187,281)	-	-	(18,575)	-	(155,144)	(361,001)
Reclassifications	-	-	-	-	-	(556,893)	(556,893)
Translation difference	1,406,355	-	1,006,846	1,544,451	490,247	502,022	4,949,921
Balance at 31 December 2016	55,996,220	9,742,073	24,028,522	35,303,353	11,615,441	5,491,263	142,176,872

Depreciation and impairment losses	Leasehold improvement and building	Leasehold Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital Work-in-progress	Total
Balance at 1 January 2017	11,193,974	-	15,046,823	24,636,684	7,190,340	-	58,067,821
Charge for the year	2,474,675	-	3,296,435	3,829,132	1,637,709	-	11,237,951
Disposal	(14,752)	-	(136,531)	(377,275)	(257,232)	-	(785,790)
Translation difference	(783,585)	-	79,081	635,127	49,371	-	(20,006)
Balance at 31 December 2017	12,870,312	-	18,285,808	28,723,668	8,620,188	-	68,499,976



Property and equipment

Continued

Balance at 1 January 2016	9,286,024	-	12,318,555	20,442,415	6,356,156	-	48,403,149
Charge for the year	1,864,239	-	2,658,469	3,340,041	1,244,137	-	9,106,886
Disposal	(10,538)	-	(281,617)	(515,657)	(428,352)	-	(1,236,164)
Write-Offs	(14,219)	-	-	(6,267)	-	-	(20,486)
Translation difference	68,468	-	351,416	1,376,152	18,399	-	1,814,435
Balance at 31 December 2016	11,193,974	-	15,046,823	24,636,684	7,190,340	-	58,067,820
Carrying amounts:							
Balance at 31 December 2017	47,413,009	9,742,073	6,645,910	18,110,915	6,593,784	8,633,948	97,114,640
Balance at 31 December 2016	44,802,246	9,742,073	8,981,698	10,666,669	4,425,101	5,491,263	84,109,052



28. (ii) Property and equipment

Bank

In thousands of Naira

Cost	Leasehold improvement and building	Leasehold Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital Work-in-progress	Total
Balance at 1 January 2017	47,904,498	9,742,073	20,614,356	30,775,870	9,694,750	3,216,721	121,948,268
Acquisitions	2,916,884	-	574,556	11,715,864	3,619,689	2,680,626	21,507,619
Disposals	(159,651)	-	(125,822)	(333,908)	(208,597)	-	(827,978)
Transfers	617,063	-	184	3,055	541	(620,843)	-
Balance at 31 December 2017	51,303,794	9,742,073	21,053,274	42,145,881	13,106,383	5,276,504	142,627,909

Balance at 1 January 2016	44,918,694	7,818,982	15,863,065	26,748,469	8,644,919	5,388,964	109,383,091
Acquisitions	1,147,630	1,923,091	5,008,811	4,490,233	1,477,917	655,470	14,703,152
Disposals	(118,662)	-	(257,520)	(492,138)	(428,086)	(129,535)	(1,425,941)
Transfers	1,956,836	-	-	29,306	-	(1,986,142)	-
Reclassifications	-	-	-	-	-	(556,893)	(556,893)
Write-Offs	-	-	-	-	-	(155,143)	(155,143)
Balance at 31 December 2016	47,904,498	9,742,073	20,614,356	30,775,870	9,694,750	3,216,721	121,948,266

Depreciation and impairment losses	Leasehold improvement and buildings	Leasehold Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital work-in-progress	Total
Balance at 1 January 2017	9,700,946	-	12,997,503	21,259,586	6,165,759	-	50,123,794
Charge for the year	993,644	-	2,578,761	4,455,043	1,471,732	-	9,499,180
Disposal	(14,752)	-	(130,893)	(344,195)	(181,945)	-	(671,785)
Balance at 31 December 2017	10,679,838	-	15,445,371	25,370,434	7,455,546	-	58,951,189

Balance at 1 January 2016	8,207,291	-	10,985,168	18,767,401	5,522,848	-	43,482,708
Charge for the year	1,504,195	-	2,269,674	2,981,425	1,019,297	-	7,774,591
Disposal	(10,540)	-	(257,339)	(489,240)	(376,386)	-	(1,133,505)
Balance at 31 December 2016	9,700,946	-	12,997,503	21,259,586	6,165,759	-	50,123,794

Carrying amounts:

Balance at 31 December 2017	40,623,955	9,742,073	5,607,903	16,775,447	5,650,837	5,276,504	83,676,722
Balance at 31 December 2016	38,203,546	9,742,074	7,616,853	9,516,285	3,528,992	3,216,722	71,824,472

(a) The amount of contractual commitments for the acquisition of property and equipment as at 31 December 2017 is N322.2Mn (31 Dec 2016: N365Mn)

(b) Estimates of useful life and residual value, and the method of depreciation, are reviewed at a minimum at each reporting year. Any changes are accounted for prospectively as a change in estimate.



29. Intangible Assets

Group	Goodwill	WIP	Purchased Software	Total
<i>In thousands of Naira</i>				
Cost				
December 2017				
Balance at 1 January 2017	681,007	286,724	14,858,925	15,826,656
Acquisitions	-	881,374	2,573,350	3,454,724
Transfer	-	(55,155)	55,155	-
Write off	-	-	(66,985)	(66,985)
Translation difference	-	-	535,236	535,236
Balance at 31 December 2017	681,007	1,112,943	17,955,681	19,749,631
December 2016				
Balance at 1 January 2016	681,007	-	12,060,445	12,741,452
Acquisitions	-	286,724	2,250,300	2,537,024
Transfer	-	-	322,529	322,529
Write off	-	-	(54,460)	(54,460)
Translation difference	-	-	280,111	280,111
Balance at 31 December 2016	681,007	286,724	14,858,925	15,826,656
Amortization and impairment losses				
Balance at 1 January 2017	-	-	8,887,101	8,887,101
Write off	-	-	(66,985)	(66,985)
Amortization for the year	-	-	2,407,886	2,407,886
Translation difference	-	-	225,774	225,774
Balance at 31 December 2017	-	-	11,453,776	11,453,776
Balance at 1 January 2016	-	-	6,294,951	6,294,951
Amortization for the year	-	-	2,186,905	2,186,905
Translation difference	-	-	405,245	405,245
Balance at 31 December 2016	-	-	8,887,101	8,887,101
Net Book Value				
Balance at 31 December 2017	681,007	1,112,943	6,501,905	8,295,855
Balance at 31 December 2016	681,007	286,724	5,971,824	6,939,555

	WIP	Purchased Software	Total
<i>In thousands of Naira</i>			
Bank			
December 2017			
Balance at 1 January 2017	231,569	12,167,422	12,398,991
Acquisitions	881,374	1,873,348	2,754,722
Write off	-	(66,985)	(66,985)
Balance at 31 December 2017	1,112,943	13,973,785	15,086,728
December 2016			
Balance at 1 January 2016	-	10,348,678	10,348,678
Acquisitions	231,569	1,818,744	2,050,313
Balance at 31 December 2016	231,569	12,167,422	12,398,991
Amortization and impairment losses			
Balance at 1 January 2017	-	7,225,207	7,225,207
Amortization for the year	-	1,946,601	1,946,601
Write off	-	(66,985)	(66,985)
Balance at 31 December 2017	-	9,104,823	9,104,823



Intangible Assets

Continued

Balance at 1 January 2016	-	5,370,770	5,370,770
Amortization for the year	-	1,854,437	1,854,437
Balance at 31 December 2016	-	7,225,207	7,225,207

Carrying amounts

Balance at 31 December 2017	1,112,943	4,868,962	5,981,905
Balance at 31 December 2016	231,569	4,942,214	5,173,784

There were no capitalised borrowing costs related to the internal development of software during the year under review, 31 December 2017 (2016: nil). Computer software has a definite useful life of not more than five years in line with the Bank's accounting policy, while Goodwill has an indefinite useful life and is annually assessed for impairment.

The work in progress relates to the cost of the CR2 Omnichannel Banking solution aimed at providing a unique experience to customers at every touch point and empowering the bank to create, manage and deliver personalised product offerings and services to each customers or customer group across all channels.

Amortization method used is straight line.

(i) Goodwill is attributable to the acquisition of following subsidiaries:

<i>In thousands of Naira</i>	December 2017	December 2016
Access Bank Rwanda	681,007	681,007
	681,007	681,007

The recoverable amount of Goodwill as at 31 December 2017 is greater than its carrying amount and is thus not impaired.

- (ii) Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. Impairment assessment has been performed for the year, while no losses on goodwill were recognized during the year under review 31 December 2017 (31 December 2016: Nil)

The recoverable amount of Goodwill as at 31 December 2017 was greater than its carrying amount and is thus not impaired.

The recoverable amount was determined using a value-in-use computation as N3.5bn

Goodwill is monitored by the Group on an entity by entity basis

The key assumption used in computing the value-in-use for goodwill in during the year are as follows:

	December 2017	December 2016
Compound annual volume growth (i)	5.44%	6.62%
Long term growth rate (ii)	4.70%	4.70%
Discount rate (ii)	19.50%	19.50%
Revenue Growth	9.60%	9.60%

(i) Compound annual volume growth rate in the initial four-year period.

(ii) Weighted average growth rate used to extrapolate cash flows beyond the budget year.

(ii) Pre-tax discount rate applied to the cash flow projections.



Intangible Assets

Continued

Cash Flow Forecast

Cash flows were projected based on past experience, actual operating results and the 4-year business plan. These cashflows are based on the expected revenue growth for the entity over this 4-year period.

Discount Rate

"Pre-tax discount rate of 19.50% was applied in determining the recoverable amounts for the only entity with goodwill (Access Bank Rwanda). This discount rate was estimated using the risk-free rate and the country risk premium for Rwanda."

Long-term term growth rate

"The long term growth rate applied was based on the long term growth rate in GDP of Rwanda

The key assumptions described above may change as economic and market conditions change. The Group estimates that reasonably possible changes in these assumptions are not expected to cause the recoverable amount of the subsidiaries (from which the goodwill arose) to decline below their carrying amount."

Revenue Growth

Revenue growth were projected based on past growth, actual operating income and the company's 4 year strategic plan. The revenue growth of 9.6% represents the average revenue growth of 4 years. The revenue growth was used to project the cashflow for the business.

Sensitivity analysis of key assumptions used

	10% increase	10% decrease
Impact of change in discount rate on value-in-use computation	(481,959)	626,557
Impact of change in growth rate on value-in-use computation	85,169	(79,926)
Impact of change in revenue growth on value-in-use computation	490,918	(490,918)



30 Deferred tax assets and liabilities

(a) Group

Deferred tax assets and liabilities are attributable to the following:

	December 2017			December 2016		
	Assets	Liabilities	Net	Assets	Liabilities	Net
<i>In thousands of Naira</i>						
Property and equipment, and software	9,608,714	(951,035)	(8,657,679)	14,329,164	(443,943)	13,885,221
Allowances/(Reversal) for loan losses	8,802,968	(2,460)	8,800,508	9,009,821	-	9,009,821
Tax loss carry forward	193,980	(86,571)	107,409	4,549,454	-	4,549,454
Exchange gain/(loss) unrealised	-	(24,809,275)	(24,809,275)	-	(29,234,934)	(29,234,934)
Employee benefits	63,438	-	63,438	11,421	-	11,421
Actuarial loss on retirement benefit	-	-	-	-	(655,220)	(655,220)
Obligation	-	(843,619)	(843,619)	-	-	-
	18,669,100	(26,690,960)	(8,023,860)	27,899,860	(30,334,097)	(2,434,237)

(b) Bank

Deferred tax assets and liabilities are attributable to the following:

	December 2017			December 2016		
	Assets	Liabilities	Net	Assets	Liabilities	Net
<i>In thousands of Naira</i>						
Property and equipment, and software	9,508,714	-	9,508,714	13,937,906	-	13,937,906
Allowances/(Reversal) for loan losses	8,712,969	-	8,712,969	8,344,683	-	8,344,683
Tax loss carry forward	-	-	-	4,505,812	-	4,505,812
Exchange gain/(loss) unrealised	-	(25,226,579)	(25,226,579)	-	(29,234,934)	(29,234,934)
Actuarial loss on retirement benefit obligation	-	(843,619)	(843,619)	-	(655,220)	(655,220)
Net deferred tax assets/(liabilities)	18,221,683	(26,070,198)	(7,848,515)	26,788,401	(29,890,154)	(3,101,753)

Deferred tax asset are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. After reviews of the medium-term profit forecasts, the Group considers that there will be sufficient profits in the future against which these losses will be offset. There were no unrecognized deferred tax assets or liabilities as at 31 December 2017 (31 December 2016: nil)



Continued

In thousands of Naira

Deferred income tax assets

- Deferred income tax asset to be recovered after more than 12 months
- Deferred income tax asset to be recovered within 12 months

	Group December 2017	Group December 2016	Bank December 2017	Bank December 2017
	8,907,917	13,559,276	8,713,969	12,850,495
	9,761,183	14,340,585	9,508,714	13,937,906
	18,669,100	27,899,861	18,221,683	26,788,401
Deferred income tax liabilities				
- Deferred income tax liability to be recovered after more than 12 months	(26,692,960)	(30,334,096)	(26,070,198)	(29,890,154)
- Deferred income tax liability to be recovered within 12 months	-	-	-	-
	(26,692,960)	(30,334,096)	(26,070,198)	(29,890,154)

(c) Movement on the net deferred tax assets/ (Liabilities) account during the year

In thousands of Naira

	Group December 2017	Group December 2016	Bank December 2017	Bank December 2017
Balance, beginning of year	(2,434,236)	10,578,968	(3,101,753)	10,180,831
Tax charge	(5,351,746)	(11,994,559)	(4,558,364)	(12,172,525)
Translation adjustments	(49,479)	91,416	-	-
Items included in OCI	(188,399)	(1,110,059)	(188,399)	(1,110,059)
Net deferred tax assets/(liabilities)	(8,023,860)	(2,434,236)	(7,848,515)	(3,101,753)
Out of which				
Deferred tax assets	18,669,100	27,899,860	18,221,683	26,788,401
Deferred tax liabilities	(26,692,960)	(30,334,096)	(26,070,198)	(29,890,154)

Temporary difference relating to the Group's Investment in subsidiaries as at December 2017 is N42.1 billion (Dec 2016: N28.6 billion). As the Group exercises control over the subsidiaries, it has the power to control the timing of the reversals of the temporary difference arising from its investments in them. The group has determined that the subsidiaries' profits and reserves will not be distributed in the foreseeable future and that the subsidiaries will not be disposed of. Hence, the deferred tax arising from the temporary differences above will not be recognised.

Items included in Other Comprehensive Income

Actuarial gain/loss on retirement benefit obligation

	Group December 2017	Group December 2016	Bank December 2017	Bank December 2017
Gross loss on retirement benefit obligation	627,995	3,700,198	627,995	3,700,198
Deferred tax @ 30%	(188,399)	(1,110,059)	(188,399)	(1,110,059)
Net balance loss after tax	439,597	2,590,139	439,597	2,590,139



31 Assets classified as held for sale

During the year, Access Bank Plc obtained a property by taking possession of collateral held as security against a loan. The value of the collateral repossessed during the year was N9.4bn (2016: Nil). The Group's policy is to pursue timely realisation of the collateral in an orderly manner. The Group does not generally use the non-cash collateral for its own operations. This amount has been presented in Note 7 as unallocated segment in accordance with IFRS 8.

Assets held for sale

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Balance at 1 January	140,727	179,843	140,727	179,843
Additions	9,369,240	-	9,369,240	-
Disposals	(30,000)	(39,116)	(30,000)	(39,116)
Balance at 31 December 2017	9,479,967	140,727	9,479,967	140,727

32 Deposits from financial institutions

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Money market deposits	165,366,714	85,020,959	107,484,428	26,209,999
Trade related obligations to foreign banks	284,830,256	82,335,624	168,656,407	68,912,189
	450,196,970	167,356,583	276,140,835	95,122,188

33 Deposits from customers

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Term deposits	1,172,733,890	925,976,555	1,035,810,196	799,495,575
Demand deposits	860,560,595	984,150,905	691,144,436	853,780,226
Saving deposits	211,584,590	179,069,826	183,819,081	159,767,071
	2,244,879,075	2,089,197,286	1,910,773,713	1,813,042,872

34 Other liabilities

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Financial liabilities				
Certified and bank cheques	1,614,507	2,430,832	1,537,858	2,018,166
E-banking payables (see (a) below)	14,750,651	3,758,302	14,750,651	3,561,974
Collections account balances (see (b) below)	113,274,691	18,677,355	110,802,951	17,692,904
Due to subsidiaries	-	-	347,385	714,192
Accruals	841,230	1,294,775	841,230	434,811
Creditors	14,773,251	5,043,127	3,838,501	3,404,703
Customer deposits for foreign exchange (see (c) below)	64,067,288	59,738,350	64,067,288	59,574,436
Agency services	51,446	37,984	51,446	36,140
Unclaimed dividend (see (d) below)	13,888,938	11,957,131	13,888,938	11,957,131
Other financial liabilities	12,524,476	8,179,792	13,837,188	5,893,267
	235,786,478	111,117,648	223,963,436	105,287,724



Non-financial liabilities

Litigation claims provision	766,809	613,886	766,809	613,886
Other current non-financial liabilities	17,360,887	1,839,706	13,965,441	1,637,331
Total other liabilities	253,914,174	113,571,240	238,695,686	107,538,941

- (a) E-banking payables represent settlements due to other banks use of their electronic channels by the Group's customers. The Group's Receivables from other banks is contained in Note 26.
- (b) Collections are balances held in trust on behalf of customers for various transactions. These include escrows, collection for remittances, payments, etc.
- (c) Customer deposits for foreign exchange represents deposits customers have made to fulfil foreign currency obligations. The Group's process requires that all customers with foreign currency obligations deposit foreign currency to back these transactions. The corresponding balance is in Other deposits with Central Banks - Cash and balances with Banks.
- (d) Unclaimed dividend is the balance of dividend declared by the Bank but yet to be claimed by shareholders. The amount relates to the portion that has been transferred to the Bank by the Registrar in accordance with Securities and Exchange Commission guidelines on Return of Unclaimed Dividends (See Note 19) for the corresponding assets with Asset Managers. The amount is payable on demand to shareholders.

Movement in litigation claims provision

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Opening balance	613,886	1,220,780	613,886	1,220,780
Additions	152,923	49,496	152,923	49,496
Payment	-	(656,390)	-	(656,390)
Closing balance	766,809	613,886	766,809	613,886

35 Debt securities issued

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Debt securities at amortized cost:	-	72,592,084	-	-
Eurobond debt from Access Bank B.V (see (a) below)	231,122,344	212,380,366	231,122,344	212,380,366
Eurobond debt security (see (b) below)	70,984,362	31,572,052	70,984,362	31,572,052
Commercial Papers (c)	-	-	-	-
	302,106,706	316,544,502	302,106,706	243,952,418



Movement in Debt securities issued:

<i>In thousands of Naira</i>	Group	Bank
Net debt as at 1 January 2017	316,544,502	243,952,418
Debt securities issued	121,486,981	121,486,981
Repayment of debt securities issued	(151,694,953)	(79,102,869)
Total changes from financing cash flows	286,336,530	286,336,530
<hr/>		
The effect of changes in foreign exchange rates	18,173,205	18,173,205
Other changes		
Interest expense	35,947,693	35,947,693
Interest paid	(38,350,722)	(38,350,722)
Balance as at 31 December 2017	302,106,706	302,106,706

(a) This refers to USD350,000,000 7.25% guaranteed notes issued on 25 July 2012 by Access Finance B.V., Netherlands with a maturity date of 25 July 2017. In Oct 2016, USD 112,997,000 out of USD 350,000,000 was exchanged at a premium for a new note issued by Access Bank Plc.

This has been fully redeemed on the maturity date.

(b) This refers to US\$400,000,000 subordinated notes of 9.25% resettable interest issued on 24 December 2014 with a maturity date of 24 December 2021 and US\$300,000,000 notes of 10.5% interest issued on 19 October 2016 with a maturity date of 19 October 2021. These represent an amortized cost of N231.18bn.

(c) This relates to short term debt financing securities issued by the Bank.

The principal amount on both notes are payable at maturity, whilst interest is payable on a semi-annual basis at their respective interest rates."



36 Interest bearing borrowings

In thousands of Naira

	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
African Development Bank (see note (a))	28,575,578	29,026,302	26,418,938	29,026,302
Netherlands Development Finance Company (see note (b))	989,655	1,513,901	989,655	1,513,901
French Development Finance Company (see note (c))	14,479,796	11,580,283	8,045,056	11,580,283
European Investment Bank (see note (d))	41,880,625	26,979,759	21,842,579	26,979,759
International Finance Corporation (see note (e))	-	2,554,646	-	2,554,646
Central Bank of Nigeria under the Commercial Agriculture Credit Scheme (see note (f))	17,641,231	9,766,871	17,641,231	9,766,871
Bank of Industry-Intervention Fund for SMEs (see note (g))	2,186,572	4,500,284	2,186,572	4,500,284
Bank of Industry-Power & Airline Intervention Fund (see note (h))	10,975,439	12,881,897	10,975,439	12,881,897
Access Finance B.V. (see note (i))	-	-	-	74,425,046
Special Refinancing & Restructuring Intervention fund (SRRIF) see note (j)	6,260,348	6,633,475	6,260,348	6,633,475
Central Bank of Nigeria - Salary Bailout facilities (see note (k))	65,230,347	66,479,721	65,230,347	66,479,721
Central Bank of Nigeria - Excess Crude Account (see note (l))	122,585,415	125,837,600	122,585,415	125,837,600
Other loans and borrowings	812,181	1,788,968	115,561	-
	311,617,187	299,543,707	282,291,141	372,179,785

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

- (a) The amount of N26,418,938,000 (USD 79,815,524) represents the outstanding balance in the on-lending facility granted to the Bank by AFDB (Africa Development Bank) in two tranches. The first tranche of USD35 million has matured and was fully paid out in August 2016. The second tranche was disbursed in August 2014 (USD 90m) for a year of 10years, while the third tranche came in June 2016 for (USD 10m) for a year of 9 years. The principal amount is repayable semi-annually starting from February 2017 for both tranches. Interest is paid semi annually at 3% above 6 months LIBOR. The annual effective interest rate is 4.10% and 4.14% respectively. From this creditor, the bank has nil undrawn balance as at 31 December 2017.
- (b) The amount of N989,654,959 (USD 2,989,894) represents the outstanding balance in the on-lending facility granted to the Bank by the Netherlands Development Finance Company effective from 15 December 2012 and disbursed in February 2013 (USD 10m) for a year of 6.5 years. The principal amount is repayable semi-annually from December 2015 while interest is paid semi annually at 3% above 6 months LIBOR. The annual effective interest rate is 5.16%. From this creditor, the bank has nil undrawn balance as at 31 December 2017.
- (c) The amount of N8,045,055,547 (USD 24,305,304) represents the outstanding balance in the on-lending facility granted to the Bank by the French Development Finance Company effective from 15 December 2012 and disbursed in four tranches: February 2013 (USD 6m), October 2013 (USD 15m), October 2013 (USD 9m) and November 2014 (USD 30m) for a year of 6.5 years for the first three tranches and 5 years for the fourth tranche. The principal amount is repayable semi-annually from December 2014 with the fourth tranche repayable from January 2016 while interest is paid semi annually at 3% above 6 months LIBOR. The annual effective interest rate is 4.36% for the first tranche, 4.04% for the second tranche, 4.06% for the third tranche and 4.57% for the fourth tranche. From this creditor, the bank has nil undrawn balance as at 31 December 2017.



- (d) The amount of N21,842,579,074 (USD 65,989,665) represents the outstanding balance on five on-lending facilities granted to the Bank by the European Investment Bank (EIB) in May 2013 (USD 25m), September 2013 (USD 26.75m), June 2014 (USD 14.7m), September 2015 (USD 27.9m) and March 2016 (USD 27.1m) for a year of 6 years each for the first three and year of 8 years each for the last two. The average annual effective interest rates are 3.48%, 2.97%, 3.18%, 2.97% and 2.97% respectively. From this creditor, the bank has nil undrawn balance as at 31 December 2017.
- (e) An on-lending facility of USD 50 million was granted to the Bank by the International Finance Corporation (IFC) in November 2013 (USD 50m) for a year of 5 years. The principal amount was repayable semi-annually from December 2014 while interest is paid semi-annually at 4% above 6 months LIBOR. The facility matured in June 2017 and has been fully paid out to the counterparty International Finance Corporation (IFC).
- (f) The amount of N17,641,213,289 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria in collaboration with the Federal Government of Nigeria (FGN) in respect of Commercial Agriculture Credit Scheme (CACs) established by both CBN and the FGN for promoting commercial agricultural enterprises in Nigeria. The facility is for a maximum year of 7 years at a zero percent interest rate to the Bank however, a management fee of 1% deductible at source is paid by the Bank under the on-lending agreement. The Bank did not provide security for this facility. From this creditor, the bank has nil undrawn balance as at 31 December 2017.
- (g) The amount of N2,186,572,371 represents an outstanding balance on the intervention credit granted to the Bank by the Bank of Industry (BOI), a company incorporated in Nigeria for the purpose of refinancing or restructuring existing loans to Small and Medium Scale Enterprises (SMEs) and manufacturing companies. The total facility has a tenor of 10 years. A management fee of 1% deductible at source is paid by the Bank under the on-lending agreement and the Bank is under obligation to on-lend to customers at an all-in interest rate of 7% per annum. Though the facility is meant for on-lending to borrowers in specified sectors, the Bank remains the primary obligor to the BOI and therefore assumes the risk of default of customers. From this creditor, the bank has nil undrawn balance as at 31 December 2017.
- (h) The amount of N10,975,438,589 represents the outstanding balance on intervention credit granted to the Bank by the Bank of Industry (BOI), a company incorporated in Nigeria, to be applied to eligible power and airline projects. The total facility has a maximum tenor of 13.5 years. A management fee of 1% deductible at source is paid by the Bank under the on-lending agreement and the Bank is under obligation to on-lend to customers at an all-in interest rate of 7% per annum. Though the facility is meant for on-lending to borrowers within the power and aviation sectors, the Bank remains the primary obligor to the BOI and therefore assumes the risk of default of customers. From this creditor, the bank has nil undrawn balance as at 31 December 2017.
- (i) This relates to borrowings of Access Bank Plc from Access Finance BV in respect of the dollar guaranteed notes issued by Access Finance B.V., Netherlands which is due on 25 July 2017. The notes were issued on 25 July 2012 for a year of 5 years with the principal amount repayable at the end of the tenor while interest on the Notes is payable semi-annually at 7.34%, in arrears on 25 January and 25 July in each year. In Oct 2016, USD 112,997,000 out of USD 350,000,000 was exchanged at a premium for a new note issued by Access Bank Plc. The annual effective interest rate is 7.57%. The notes matured on 25th July 2017 and was fully redeemed at maturity.
- (j) The amount of N6,260,347,857 represents the outstanding balance on intervention credit granted to the bank by the Bank of Industry (BOI) under the Special refinancing and Restructuring intervention fund, with a 10 year tenor which is due on the 31 August 2024. The bank has a 36 months moratorium on the facility after which principal repayment will be charged quarterly. Though the facility is meant for on-lending to borrowers in specified sectors, the Bank remains the primary obligor to the BOI and therefore assumes the risk of default of customers. From this creditor, the bank has nil undrawn balance as at 31 December 2017.
- (k) The amount of N65,230,346,639 represents the outstanding balance on the state salary bailout facilities granted to the bank by the Central Bank of Nigeria for onward disbursements to state governments for payments of salary of workers of the states. The facility has a tenor of 20 years with a 2% interest payable to the CBN. The Bank is under obligation to on-lend to the states at an all-in interest rate of 9% per annum. From this creditor, the bank has nil undrawn balance as at 31 December 2017.



- (l) The amount of N122,585,415,103 represents the outstanding balance on the excess crude account loans granted to the bank by the Central Bank of Nigeria for onward disbursements to state governments. The facility has a tenor of 20 years with a 2% interest payable to the CBN. The Bank is under obligation to on-lend to the states at an all-in interest rate of 9% per annum. From this creditor, the bank has nil undrawn balance as at 31 December 2017.

(m) Movement in interest bearing loans and borrowings:

<i>In thousands of Naira</i>	Group	Bank
Balance as at 1 January 2017	299,543,707	372,179,785
Proceeds from interest bearing borrowings	43,577,454	13,337,947
Repayment of interest bearing borrowings	(34,371,397)	(99,011,336)
Total changes from financing cash flows	308,749,764	286,506,396
The effect of changes in foreign exchange rates	4,664,912	4,319,235
Other changes		
Interest expense	12,373,830	11,070,759
Interest paid	(14,171,319)	(19,605,250)
Balance as at 31 December 2017	311,617,187	282,291,140

37 Retirement benefit obligation

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Recognised liability for defined benefit obligations (see note (a) below)	2,481,916	3,064,597	2,481,916	3,064,597
Liability for defined contribution obligations	13,358	10,856	-	-
	2,495,274	3,075,453	2,481,916	3,064,597

(a) Defined benefit obligations

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

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Post employment benefit plan (see note (i) below)	2,481,916	3,064,597	2,481,916	3,064,597
Recognised liability	2,481,916	3,064,597	2,481,916	3,064,597

(i) Post employment benefit plan

The Bank operates a non-contributory, unfunded lump sum defined benefit post employment benefit plan for top executive management of the Bank from General Manager and above based on the number of years spent in these positions. The scheme is also aimed at rewarding executive directors and other senior executives for the contributions to achieving the Bank's long-term growth objectives.

There is no funding arrangement with a trustee for the Post employment benefit plan as the Bank pays for all obligations from its current year profit as such obligations fall due. Depending on their grade, executive staff of the Bank upon retire-



ment are entitled to certain benefits based on their length of stay on that grade.

The amount recognised in the statement of financial position is as follows:

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Deficit on defined benefit obligations at 1 January	3,064,597	5,567,800	3,064,597	5,567,800
Charge for the year:				
-Interest costs	495,674	692,268	495,674	692,268
-Current service cost	257,384	504,727	257,384	504,727
-Benefits paid	(707,744)	-	(707,744)	-
Net actuarial gain/(loss) for the year remeasured in OCI:				
Remeasurements - Actuarial gains and losses arising from changes in demographic assumptions	(602,798)	(577,343)	(602,798)	(577,343)
Remeasurements - Actuarial gains and losses arising from changes in financial assumption	(25,197)	(3,122,855)	(25,197)	(3,122,855)
Balance, end of year	2,481,916	3,064,597	2,481,916	3,064,597
Expense recognised in income statement:				
Current service cost	495,674	692,268	495,674	692,268
Interest on obligation	257,384	504,727	257,384	504,727
Total expense recognised in profit and loss (see Note 14)	753,058	1,196,995	753,058	1,196,995

The weighted average duration of the defined benefit obligation is 8years. The information on the maturity profile of the defined benefit plan includes the maturity analysis and the distribution of the timing of payment. The estimated contribution to the plan for the next annual reporting year is: N629Mn
The sensitivities below relates to Group and Bank.

31 December 2017

Impact on defined benefit obligation

<i>In thousands of Naira</i>	Decrease in assumption by 1%	Liability changes to	Total comprehensive income
Effect of changes in the assumption to the discount rate	Increase in liability by 5.6%	2,621,835	(139,919)
Effect of changes in assumption to the salary growth	Decrease in liability by 4.9%	2,361,130	120,786
Effect of changes in assumption to the mortality rate	Decrease in liability by 0.2%	2,475,795	6,121



In thousands of Naira

		Increase in assumption by 1%	Liability changes to	Total comprehensive income
Effect of changes in the assumption to the discount rate	Decrease in liability by	5.2%	2,352,750	129,166
Effect of changes in assumption to the salary growth	Increase in the liability by	5.2%	2,611,416	(129,500)
Effect of changes in assumption to the mortality rate	Increase in the liability by	0.3%	2,488,587	(6,671)

31 December 2016

Impact on defined benefit obligation

In thousands of Naira

		Decrease in assumption by 1%	Liability changes to	Total comprehensive income
Effect of changes in the assumption to the discount rate	Increase in liability by	7.7%	3,232,367	(167,770)
Effect of changes in assumption to the salary growth	Decrease in liability by	6.75%	2,909,189	155,408
Effect of changes in assumption to the mortality rate	Decrease in liability by	6.75%	3,057,012	7,585

31 December 2017

Impact on defined benefit obligation

In thousands of Naira

		Increase in assumption by 1%	Liability changes to	Total comprehensive income
Effect of changes in the assumption to the discount rate	Increase in the liability by	6.9%	2,910,376	154,221
Effect of changes in assumption to the salary growth	Increase in the liability by	7.3%	3,232,322	(167,725)
Effect of changes in assumption to the mortality rate	Increase in the liability by	0.03%	3,073,008	(8,411)

The above sensitivity analysis are based on a change in an assumption while holding all another assumptions sonstant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the year) has been applied as when calculating the pension liability recognised within the statement of financial position. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

Actuarial assumptions:

Principal actuarial assumptions at the reporting date (expressed as weighted averages):
The most recent valuation was performed by Alexander Forbes as at 31 December 2017.



	December 2017	December 2016
Discount rate	14.70%	16.70%
Future salary increases	5.00%	5.00%
Retirement age for both male and female	60 years	60 years
Retirement rate: 50 – 59 (average rate)	3.40%	3.40%
Withdrawal rate: 16 – 29	4.50%	4.50%
Withdrawal rate: 30 – 44	6.00%	6.00%
Withdrawal rate: 45 – 50	5.00%	5.00%
Withdrawal rate: 51 – 55 (average rate)	3.75%	3.75%

Assumptions regarding future mortality before retirement are based on A49/52 ultimate table published by the Institute of Actuaries of United Kingdom. The rate used to discount post employment benefit obligations has been determined by reference to the yield on Nigerian Government bonds of medium duration. This converts into an effective yield of 14.70% as at 31 December 2017. For members in active service as at the valuation date, the projected unit credit method of valuation as required under the IFRS has been adopted.

38 Capital and reserves

A Share capital

<i>In thousands of Naira</i>	Bank December 2017	Bank December 2016
(a) Authorised:		
Ordinary shares:		
38,000,000,000 Ordinary shares of 50k each	19,000,000	19,000,000
Preference shares:		
2,000,000,000 Preference shares of 50k each	1,000,000	1,000,000
	20,000,000	20,000,000

<i>In thousands of Naira</i>	Bank December 2017	Bank December 2016
(b) Issued and fully paid-up :		
28,927,971,631 Ordinary shares of 50k each	14,463,986	14,463,986

Ordinary shareholding:

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at meetings of the Bank. All ordinary shares rank pari-passu with the same rights and benefits at meetings of the Bank.

Preference shareholding:

Preference shares do not carry the right to vote. Preference shareholders have priority over ordinary shareholders with regard to the residual assets of the Bank and participate only to the extent of the face value of the shares plus any accrued dividends. No preference shares were in issue as at the end of the year

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

<i>In thousands of Naira</i>	Bank December 2017	Bank December 2016
Balance, beginning of year	14,463,986	14,463,986
Balance, end of year	14,463,986	14,463,986



(c) The movement on the number of shares in issue during the year was as follows:

<i>In thousands of Naira</i>	Bank December 2017	Bank December 2016
Balance, beginning of year	28,927,972	28,927,972
Balance, end of year	28,927,972	28,927,972

B Share premium

Share premium is the excess paid by shareholders over the nominal value for their shares.

<i>In thousands of Naira</i>	Bank December 2017	Bank December 2016
Balance, beginning of year	197,974,816	197,974,816
Balance, end of year	197,974,816	197,974,816

C Retained earnings

	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Retained earnings	117,701,679	93,614,030	120,218,603	93,329,188

D Other components of equity

<i>In thousands of Naira</i>	Group December 2017	Group December 2016	Bank December 2017	Bank December 2016
Other regulatory reserves (see i(a) below)	70,562,156	62,615,212	60,986,896	53,001,072
Share Scheme reserve	2,031,978	1,211,978	2,031,978	1,008,118
Treasury Shares	(4,028,910)	(3,286,375)	-	-
Capital Reserve	3,489,080	3,489,080	3,489,081	3,489,081
Fair value reserve	36,111,322	23,240,250	35,267,471	23,354,093
Foreign currency translation reserve	26,813,500	11,992,025	-	-
Regulatory risk reserve	43,420,287	42,932,550	35,058,266	35,058,266
	178,399,413	142,194,720	136,833,692	115,910,630

(i) Other Reserves **Other regulatory reserves** **Statutory reserves**

Nigerian banking regulations require the Bank to make an annual appropriation to a statutory reserve. As stipulated by S.16(1) of the Banks and Other Financial Institution Act of Nigeria, an appropriation of 30% of profit after tax is made if the statutory reserve is less than paid-up share capital and 15% of profit after tax if the statutory reserve is greater than the paid up share capital.

SMEEIS Reserves

"The Small and Medium Enterprises Equity Investment Scheme (SMEEIS) reserve is maintained to comply with the Central Bank of Nigeria (CBN)/ Banker's committee's requirement that all licensed deposit money banks in Nigeria set aside a portion of the profit after tax in a fund to be used to finance equity investment in qualifying small and medium scale enterprises. Under the terms of the guideline (amended by a CBN letter dated 11 July 2006), the contributions will be 10% of profit after tax and shall continue after the first 5 years but banks' contribution shall thereafter reduce to 5% of profit after tax

However, this is no longer mandatory. Therefore, no additional appropriation has been done during the year. The small and medium scale industries equity investment scheme reserves are non-distributable.

**i (a)**

<i>In thousands of Naira</i>	Statutory reserves		SMEEIS Reserves		Total	
	December 2017	December 2016	December 2017	December 2016	December 2017	December 2016
Opening	61,788,644	49,271,343	826,568	826,568	62,615,212	50,097,911
Transfers during the year	7,946,944	12,517,301	-	-	7,946,944	12,517,301
Closing	69,735,588	61,788,644	826,568	826,568	70,562,156	62,615,212

Bank

In thousand of Naira

Opening	52,174,504	42,570,584	826,568	826,568	53,001,072	43,397,152
Transfers during the year	7,985,824	9,603,920	-	-	7,985,824	9,603,920
Closing	60,160,328	52,174,504	826,568	826,568	60,986,896	53,001,072

(ii) Share scheme reserve

This represents the total expenses incurred in providing the Bank's shares to its qualifying staff members under the RSPP scheme.

(iii) Treasury shares

This represents the shares held by the new RSPP scheme which have not yet been allocated to staff based on the pre-determined vesting conditions.

(iv) Capital reserve

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

(v) Fair value reserve

The fair value reserve comprises the net cumulative change in the fair value of available-for-sale investments until the investment is derecognised or impaired.

(vi) Foreign currency translation reserve

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

(vii) Regulatory risk reserve

The regulatory risk reserves warehouses the difference between the allowance for impairment losses on balance on loans and advances based on Central Bank of Nigeria prudential guidelines and Central Bank of the foreign subsidiaries regulations, compared with the loss incurred model used in calculating the impairment under IFRSs.

(viii) Retained earnings

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

E Non-controlling interest

This represents the Non-controlling interest's (NCI) portion of the net assets of the Group



In thousands of Naira

	Group December 2017	Group December 2016
Access Bank, Gambia	310,883	1,142,313
Access Bank, Sierra Leone	43,387	57,189
Access Bank Zambia	2,609,806	276,532
Access Bank, Rwanda	933,465	838,624
Access Bank, Congo	887	1,172,519
Access Bank, Ghana	3,009,086	2,759,852
	6,907,514	6,247,029

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

In thousands of Naira

	Group December 2017	Group December 2016
Access Bank, Gambia	21,714	59,235
Access Bank, Sierra Leone	4,693	4,698
Access Bank Zambia	(221,560)	(980)
Access Bank, Rwanda	26,658	(36,204)
Access Bank, Congo	151	113,372
Access Bank, Ghana	181,434	182,200
	13,090	322,322

	Group December 2017	Group December 2016
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Proportional Interest of NCI in subsidiaries

Access Bank, Gambia	%	%
Access Bank, Gambia	12%	36%
Access Bank, Sierra Leone	3%	3%
Access Bank Zambia	30%	8%
Access Bank, Rwanda	25%	25%
Access Bank, Congo	0%	26%
Access Bank, Ghana	9%	9%

Transactions with non-controlling interests

During the year, the Access Bank Plc acquired additional shares in Access Bank Congo and Access Bank Gambia. This resulted in changes in its ownership interests in the subsidiaries, but the transactions did not result in a loss of control. Furthermore, the Group's holding in Access Bank Zambia reduced as a result of issuance of shares to third party outside the Group by Access Bank Zambia. This diluted Access bank Plc's holding in Access Bank Zambia. However, control was not lost as a result of the dilution. The Group adjusted the carrying amounts of the controlling and non-controlling interests to reflect the changes in the relative interests in the subsidiaries. The impact was recognised directly in equity.

F Dividends

In thousands of Naira

	Bank December 2017	Bank December 2016
Interim dividend paid (2017: 25k, 2016: 25k)	7,231,992	7,231,993
Final dividend paid (2016: 40k)	-	11,571,189
	7,231,992	18,803,182
Number of shares	28,927,972	28,927,972

The Directors proposed a final dividend of 40k for the year ended 31 December 2017



39 Contingencies

Claims and litigation

The Group is a party to numerous legal actions arising out of its normal business operations. The Directors believe that, based on currently available information and advice of counsel, none of the outcomes that result from such proceedings will have a material adverse effect on the financial position of the Group, either individually or in the aggregate. No provision has been made for the year ended 31 December 2017.

Contingent liability and commitments

In common with other banks, Group conducts business involving acceptances, performance bonds and indemnities. The majority of these facilities are offset by corresponding obligations of third parties. Contingent liabilities and commitments comprise acceptances, endorsements, guarantees and letters of credit.

Nature of instruments

An acceptance is undertaken by a bank to pay a bill of exchange drawn on a customer. The Group expects most acceptances to be presented, but reimbursement by the customer is normally immediate. Endorsements are residual liabilities of the Group in respect of bills of exchange, which have been paid and subsequently rediscounted.

Guarantees and letters of credit are given as security to support the performance of a customer to third parties. As the Group will only be required to meet these obligations in the event of the customer's default, the cash requirements of these instruments are expected to be considerably below their nominal amounts.

Other contingent liabilities include transaction related custom and performance bonds and are generally short term commitments to third parties which are not directly dependent on the customer's credit worthiness. Commitments to lend are agreements to lend to a customer in the future, subject to certain conditions. Such commitments are either made for a fixed year, or have no specific maturity dates but are cancellable by the lender subject to notice requirements. Documentary credits commit the Group to make payments to third parties, on production of documents, which are usually reimbursed immediately by customers.

The table below summarises the fair value amount of contingent liabilities and commitments off-financial position risk:

Acceptances, bonds, guarantees and other obligations for the account of customers:

a. These comprise:

<i>In thousands of Naira</i>	Bank December 2017	Bank December 2016	Bank December 2017	Bank December 2016
Contingent liabilities:				
Transaction related bonds and guarantees	370,892,995	186,251,718	225,158,636	136,163,848
Financial guarantees	171,002,109	99,582,709	81,335,619	85,513,821
Commitments:				
Clean line facilities for letters of credit, unconfirmed letters of credit and other commitments	293,267,039	261,208,242	200,918,665	158,994,793
Future, swap and forward contracts	662,935,746	933,073,893	624,709,693	900,436,358
	1,498,097,889	1,480,116,562	1,132,122,613	1,281,108,820

The Bank granted clean line facilities for letters of credit during the year to guarantee the performance of customers to third parties. Contractual capital commitments undertaken by the Bank during the year amounted to N322.2Mn (31 Dec 2016: N365.4Mn)

40 Cash and cash equivalent

(a) Cash and cash equivalents include the following for the purposes of the statement of cash flows:



In thousands of Naira

	Bank December 2017	Bank December 2016	Bank December 2017	Bank December 2016
Cash on hand and balances with banks	184,867,177	68,423,783	144,763,718	59,637,792
Unrestricted balances with central banks	28,837,649	139,954,922	7,976,547	33,160,736
Money market placements	261,805,783	119,826,012	28,157,562	41,798,197
Investment under management	17,913,690	13,041,247	17,913,690	13,041,247
	493,424,299	341,245,964	198,811,517	147,637,972

Cash and cash equivalent for the purpose of the preparation of the statement of cash flows excludes cash collaterals held for letters of credit and the mandatory cash deposit held with the Central Bank of Nigeria.

41 Contraventions of the Banks and Other Financial Institutions Act of Nigeria and CBN's circulars

S/N	Regulatory Body	Infraction
i)	Central Bank of Nigeria	Sum of N60 million in respect of BVN registration
ii)	Central Bank of Nigeria	Sum of N6 million in respect of unutilized foreign exchange from CBN
iii)	Central Bank of Nigeria	Sum of N2 million for non-compliance regards Bancassurance
iv)	Central Bank of Nigeria	Sum of N2 million in respect of CBN FX examination
v)	Central Bank of Nigeria	Sum of N4 million in respect of injection of capital to subsidiaries
vi)	Central Bank of Nigeria	Sum of N2 million in respect of KYC requirement
vii)	Central Bank of Nigeria	Sum of N2 million in respect of the non-implementation of external auditor's recommendation

42 Events after reporting date

Subsequent to the end of the reporting year, the Board of Directors proposed a final dividend of 40k each payable to shareholders on register of shareholding at the closure date.

There are no other post balance sheet event that require disclosure in these consolidated financial statements.

43 Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both. The definition includes subsidiaries, associates, joint ventures and the Group's pension schemes, as well as key management personnel.

Transactions with key management personnel

The Group's key management personnel, and persons connected with them, are also considered to be related parties. The definition of key management includes the close members of family of key personnel and any entity over which key management exercise control. The key management personnel have been identified as the executive and non-executive directors of the Group. Close members of family are those family members who may be expected to influence, or be influenced by that individual in their dealings with Access Bank Plc and its subsidiaries.

Parent

The parent company, which is also the ultimate parent company, is Access Bank Plc.

(a) Loans and advances to related parties

The bank granted various credit facilities to its subsidiary companies and key management personnel.

Key Management Personnel is defined as members of the Board of Directors of the bank, including their close members of family and any entity over which they exercise control. Close member of family are those who may be expected to influence or be influenced by that individual in dealings with the bank.

The rates and terms agreed are comparable to other facilities being held in the bank's portfolio. Details of these are described below:



year ended 31 December 2017	Directors and other key man- agement personnel (and close family members)	Subsidiaries	Total
<i>In thousands of Naira</i>			
Balance, beginning of year	1,030,899	92,014,601	93,045,500
Net movement during the year	2,998,509	15,919,197	18,917,706
Balance, end of year	4,029,408	107,933,798	111,963,206
Interest income earned	275,232	1,310,286	1,585,518
Bad or doubtful debts due from related parties expense	-	-	-

The loans used to directors and other key management personnel (and close family members) as at 31 December 2017 of N4.03Bn are repayable in various cycles ranging from monthly to annually over the tenor. The transactions were carried out at arms length and have an average tenor of 4 years. The loans are collateralised by a combination of lien on shares of quoted companies, fixed and floating debentures, corporate guarantee, negative pledge, domiciliation of proceeds of company's receivables, legal mortgages and cash.

The loan to subsidiaries relates to a foreign interbank placements of USD302M granted during the year. It is a non-collateralised placement advanced at an average interest rate of 1.49% and a tenor less than 12 months. This loan has been eliminated on consolidation and does not form part of the reported Group loans and advances balance.

No impairment losses have been recorded against balances outstanding during the year with key management personnel, and no specific allowance has been made for impairment losses on balances with key management personnel and their immediate relatives at year end.

(b) Deposits from related parties

year ended 31 December 2017	Directors (and close family mem- bers and related entities)	Subsidiaries	Total
<i>In thousands of Naira</i>			
Balance, beginning of year	2,038,024	109,626,264	111,664,288
Net movement during the year	1,062,274	67,025,939	68,088,213
Balance, end of year	3,100,298	176,652,203	179,752,501
Interest expenses on deposits	215,665	5,609,001	5,824,666

The deposits are majorly term deposit with an average interest rate and tenor of approximately 8.37% and 5months for directors and 3.18% and 3.5 months for subsidiaries.



(c) Borrowings from related parties

<i>In thousands of Naira</i>	Subsidiaries	Total
Borrowings at 1 January 2017	74,425,046	74,425,046
Net movement during the year	(74,425,046)	(74,425,046)
Borrowings at 31 December 2017	-	-
Interest expenses on borrowings	3,268,610	3,268,610

The borrowings from subsidiaries represent the borrowings of Access Bank Plc from Access Finance BV in respect of the dollar guaranteed notes issued by Access Finance B.V, Netherlands which matured on 25 July 2017. The notes were issued on 25 July 2012 for a year of 5 years with the principal amount repayable at the end of the tenor while interest on the Notes is payable semi-annually at 7.34%, in arrears on 25 January and 25 July in each year. The annual effective interest rate is 7.79%. In October 2016, USD 112,997,000 out of USD 350,000,000 was exchanged at a premium for a new note issued by Access Bank Plc.

The notes matured on 25 July 2017 and it was fully redeemed.

(d) Other balances and transactions with related parties

<i>In thousands of Naira</i>	Directors (and close family members and related entities)	Subsidiaries	Total
Cash and cash equivalent	-	21,126,935	21,126,935
Deposit from financial institutions	-	326,279	326,279
Receivables	-	462,754	462,754
Other Liabilities	-	347,385	347,385
Fee and commission expense	-	716,978	716,978
Off balance sheet exposures	-	850,714	850,714

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

<i>In thousands of Naira</i>	Bank December 2017	Bank December 2016
Directors' remuneration		
Non-executive Directors		
Fees	58,125	51,875
Other emoluments:		
Allowances	411,044	320,335
	469,169	372,210
Executive directors		
Short term employee's benefit	237,820	264,220
Defined contribution plan	14,364	14,813
Share based payment	39,189	52,960
Long term incentive plan	707,744	-
	999,117	331,993



(f) Directors' remuneration:

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

<i>In thousands of Naira</i>	Group December 2017	Bank December 2016
Fees as Directors	58,125	51,875
Other emoluments	303,982	207,898
Wages and salaries	237,820	264,220
Allowances	107,063	112,438

The Directors' remuneration shown above includes

	December 2017	December 2016
Chairman	50,513	41,993
Highest paid Director	85,160	85,160

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

	December 2017	December 2016
N13,000,001-N20,000,000	6	6
N20,000,001-N37,000,000	8	8
	14	14



Access Bank has some exposures that are related to its Directors. The Bank however follows a strict process before granting such credits to its Directors. The requirements for creating and managing this category of risk assets include the following amongst others:

- a. Complete adherence to the requirements for granting insider-related exposure as stated in the Bank's Credit Policy Guidelines, the Insider-related Policy as well as the Bank's duly approved Standard Operating Procedure for managing insider-related exposures.
- b. Full compliance with the relevant CBN policies on insider-related lending.
- c. All affected Directors are precluded from taking part in the approval process of credit request wherein they have interest.
- d. The related Director is required to execute a document authorizing the Bank to use their accruable dividends to defray any related-obligor's delinquent exposures.
- e. The Directors are required to execute documents for the transfer of their shares to the Bank's nominated broker to ensure effective control as required by the CBN policy to enhance the bank's Corporate Governance structure.
- f. Section 89 of the Bank's Article of Association also reiterated that "a related Director shall vacate office or cease to be a Director, if the Director directly or indirectly enjoys a facility from the Bank that remains non-performing for a year of more than 12months."

The Bank's gross exposure to all its directors as at 31 December 2017 is N1.65bn. However, the relevant obligors under this category also have credit balances and deposits maintained in their bank accounts which mitigate the risks to the bank.

Below is a schedule showing the details of the Bank's director-related lending:

S/N	Name of borrower	Relationship to reporting institution	Name of related Directors	Facility type	Outstanding Principal	Status	Nature of security
1	Combined Industrial Agro Consult. Ltd.	Ex-Chairman	Mr. Gbenga Oyeboode	Term Loan	31,250,000	Performing	Corporate Guarantee of Assets Management Group Limited.
2	Asset Management Group Limited	Ex-Chairman	Mr. Gbenga Oyeboode	Time loan	1,444,848,074	Performing	1. Pledged properties at Ikoyi Lagos 2. Personal guarantee 3. Domiciliation of Rental Income"
3	Sic Property and Investment Company Ltd	Ex-Non-executive director	Mr. Ortisedere Otubu	Term Loan	119,983,765	Performing	1. Legal Mortgage 2. Personal Guarantee 3. Debenture
4	Paul Usoro & Company	Non-executive director	Mr. Paul Usoro	Overdraft Credit Card	8,123,918 46,655,178	Performing Performing	Cash collateral Cash collateral
Balance, end of year					1,650,860,935		



45 Non-audit services

During the year, the Bank's auditor, PricewaterHouseCoopers, were awarded the following contracts;

Service	Description	Sum N'000
1	Recovery and resolution plan	9,975
	Advisory services on development of recovery and resolution plan to be submitted to the Central Bank of Nigeria and Nigeria Deposit Insurance Corporation as part of regulatory requirements for systemically important financial institutions.	
2	Automation of Revenue assurance reviews	11,500
	Revenue assurance exercise and script development to block income leakages and facilitate recoveries	
		21,475

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

OTHER NATIONAL DISCLOSURES

Value Added Statement

<i>In thousands of Naira</i>	Group December 2017	%	Group December 2016	%
Gross earnings	459,075,779		381,320,783	
Interest expense				
Foreign	(5,585,583)		(29,874,830)	
Local	(102,622,266)		(59,894,789)	
	350,867,930		291,551,164	
Net impairment (loss) on financial assets	(33,916,948)		(20,630,884)	
Net impairment loss on other financial assets	(549,920)		(1,321,935)	
Bought-in-materials and services				
Foreign	(1,819,106)		(3,859,283)	
Local	(117,725,321)		(93,364,322)	
Value added	196,846,635		172,374,740	

Distribution of Value Added

To Employees:

Employees costs	54,806,795	28%	51,795,538	30%
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To government

Government as taxes	18,081,628	9%	18,900,109	11%
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To providers of finance

Interest on borrowings	48,321,523	25%	18,369,256	11%
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Dividend to shareholders	18,803,180	10%	15,910,384	9%
Retained in business:				
For replacement of property and equipment and intangible assets	13,645,837	7%	11,293,791	7%
Retained profit (including Statutory and regulatory risk reserves)	43,187,672	22%	56,105,662	33%
	196,846,635	100%	172,374,740	100%

OTHER NATIONAL DISCLOSURES

Value Added Statement

<i>In thousands of Naira</i>	Bank December 2017		Bank December 2016	
		%		%
Gross earnings	398,161,575		331,000,972	
Interest expense				
Foreign	(5,508,566)		(32,402,507)	
Local	(90,507,289)		(48,892,468)	
	302,145,720		249,705,997	
Net impairment (loss) on financial assets	(29,465,778)		(16,319,192)	
Net impairment loss on other financial assets	315,930		(1,321,935)	
Bought-in-materials and services				
Foreign	(1,819,106)		(3,859,283)	
Local	(102,273,451)		(82,273,672)	
Value added	168,903,315		145,931,915	
Distribution of Value Added				
To Employees:				
Employees costs	41,773,512	25%	42,153,587	29%
To government				
Government as taxes	13,804,679	8%	16,553,441	11%
To providers of finance				
Interest on borrowings	47,018,452	28%	13,569,723	9%
Dividend to shareholders	18,803,180	11%	15,910,384	11%
Retained in business:				
For replacement of property and equipment	11,445,781	7%	9,629,029	7%
For replacement of equipment on lease	1,622,069	1%		
Retained profit (including Statutory and regulatory risk reserves)	34,435,642	20%	48,115,751	33%
	168,903,315	100%	145,931,915	100%



OTHER NATIONAL DISCLOSURES

Other financial Information Five-year Financial Summary

Group	December 2017	December 2016	December 2015	December 2014	December 2013
<i>In thousands of Naira</i>	12 months N'000	12 months N'000	12 months N'000	12 months N'000	12 months N'000
Assets					
Cash and balances with banks	953,944,176	713,889,105	478,409,336	405,014,793	439,459,541
Investment under management	20,257,131	14,871,247	10,403,608	-	-
Non pledged trading assets	46,854,061	44,629,579	52,298,422	28,411,644	3,877,969
Pledged assets	447,114,404	314,947,502	203,715,397	87,072,147	63,409,851
Derivative financial instruments	93,419,293	156,042,984	77,905,020	24,866,681	102,123
Loans and advances to banks	68,114,076	45,203,002	42,733,910	12,435,659	24,579,875
Loans and advances to customers	1,995,987,627	1,809,459,172	1,365,830,831	1,110,464,442	786,169,703
Trading properties	-	-	-	-	-
Investment securities	278,167,757	229,113,772	186,223,126	270,211,388	353,811,348
Insurance receivables	-	-	-	-	-
Other assets	82,753,431	63,255,054	83,014,503	56,310,620	52,019,723
Investment properties	-	-	-	-	23,974,789
Investments in equity accounted investee	-	-	-	-	3,623,326
Investment in subsidiary	-	-	-	-	-
Property and equipment	97,114,640	84,109,052	73,329,927	69,659,707	67,243,305
Intangible assets	8,295,855	6,939,555	6,440,616	5,592,991	3,659,072
Deferred tax assets	740,402	1,264,813	10,845,612	10,881,984	10,687,635
Assets classified as held for sale	9,479,967	140,727	179,843	23,438,484	2,847,740
Total assets	4,102,242,820	3,483,865,564	2,591,330,151	2,104,360,540	1,835,466,000
Liabilities					
Deposits from financial institutions	450,196,970	167,356,583	72,914,421	119,045,423	72,147,956
Deposits from customers	2,244,879,075	2,089,197,286	1,683,244,320	1,454,419,052	1,331,418,659
Derivative financial instruments	5,332,177	30,444,501	3,077,927	1,989,662	32,955
Claims payable	-	-	-	-	-
Current tax liabilities	7,489,586	5,938,662	7,780,824	8,180,969	6,899,558
Other liabilities	253,914,174	113,571,240	69,355,947	21,689,079	56,847,216
Deferred tax liabilities	8,764,262	3,699,050	266,644	59,038	37,861
Debt securities issued	302,106,706	316,544,502	149,853,640	138,481,179	55,828,248
Interest-bearing borrowings	311,617,187	299,543,707	231,467,161	79,816,309	64,338,982
Retirement benefit obligations	2,495,274	3,075,453	5,567,800	3,269,100	1,933,021
Liabilities classified as held for sale	-	-	-	-	1,499,495
Total liabilities	3,586,795,411	3,029,370,984	2,223,528,684	1,826,949,811	1,590,983,951
Equity					
Share capital and share premium	212,438,802	212,438,802	212,438,802	172,477,671	172,477,671
Retained earnings	117,701,679	93,614,030	51,730,369	34,139,453	22,232,374
Other components of equity	178,399,413	142,194,720	99,732,330	67,262,761	48,003,894
Non controlling interest	6,907,515	6,247,028	3,899,966	3,530,844	1,768,110
Total equity	515,447,409	454,494,580	367,801,467	277,410,729	244,482,049
Total liabilities and Equity	4,102,242,820	3,483,865,564	2,591,330,151	2,104,360,540	1,835,466,000
Gross earnings	459,075,779	381,320,783	337,404,230	245,383,536	206,891,219



Profit before income tax	80,072,480	90,339,456	75,038,117	52,022,290	44,996,410
Profit from continuing operations	61,990,852	71,439,347	65,868,773	43,063,479	36,101,830
Discontinued operations	-	-	-	(87,267)	265,760
Profit for the year	61,990,852	71,439,347	65,868,773	42,976,212	36,367,590
Non controlling interest	13,090	322,322	536,233	560,883	195,762
Profit attributable to equity holders	61,977,762	71,117,024	65,332,540	42,415,329	36,171,828
Dividend paid	18,803,180	15,910,384	15,241,014	13,729,777	13,729,777
Earning per share - Basic	218k	249k	265k	189k	158k
- Adjusted	214k	245k	262k	189k	158k
Number of ordinary shares of 50k	28,927,971,631	28,927,971,631	28,927,971,631	22,882,918,908	22,882,918,908

OTHER NATIONAL DISCLOSURES

Other financial Information

Five-year Financial Summary

Bank	December 2017	December 2016	December 2015	December 2014	December 2013
	12 months	12 months	12 months	12 months	12 months
	N'000	N'000	N'000	N'000	N'000
<i>In thousands of Naira</i>					
Assets					
Cash and balances with banks	657,144,247	517,997,249	405,998,636	351,174,879	395,808,747
Investment under management	20,257,131	14,871,247	10,403,608	-	-
Non pledged trading assets	43,016,990	44,629,579	52,298,422	28,411,644	3,877,969
Pledged assets	440,503,327	314,947,502	200,464,624	85,183,353	63,347,823
Derivative financial instruments	92,390,219	155,772,662	77,852,349	24,831,145	72,675
Loans and advances to banks	101,429,001	104,006,574	60,414,721	55,776,837	13,048,651
Loans and advances to customers	1,771,282,739	1,594,562,345	1,243,215,309	1,019,908,848	735,300,741
Investment securities	121,537,303	161,200,642	155,994,798	226,137,983	309,071,802
Insurance receivables	-	-	-	-	-
Other assets	65,189,797	50,594,480	78,623,381	48,246,307	44,326,360
Investment properties	-	-	-	-	23,974,789
Investments in equity accounted investee	-	-	-	-	1,521,812
Investment in subsidiary	87,794,631	59,239,252	45,439,246	40,120,572	38,029,992
Property and equipment	83,676,722	71,824,472	65,900,384	64,160,327	63,203,245
Intangible assets	5,981,905	5,173,784	4,977,908	4,436,814	2,661,553
Deferred tax assets	-	-	10,180,832	10,128,537	9,847,853
Assets classified as held for sale	9,479,967	140,727	179,843	23,438,484	-
Total assets	3,499,683,979	3,094,960,515	2,411,944,061	1,981,955,730	1,704,094,012
Liabilities					
Deposits from banks	276,140,835	95,122,188	63,343,785	134,509,662	61,295,352
Deposits from customers	1,910,773,713	1,813,042,872	1,528,213,883	1,324,800,611	1,217,176,793
Derivative financial instruments	5,306,450	30,275,181	2,416,378	1,737,791	-
Debt securities issued	302,106,706	243,952,418	78,516,655	73,155,391	-
Current tax liabilities	4,547,920	5,004,160	6,442,311	7,113,226	6,075,590
Other liabilities	238,695,686	107,538,941	64,094,358	16,870,132	52,092,559
Retirement benefit obligations	2,481,916	3,064,597	5,567,800	3,267,364	-



Interest-bearing borrowings	282,291,141	372,179,785	302,919,987	146,345,767	120,342,026
Contingent settlement provisions	-	-	-	-	1,929,695
Deferred tax liabilities	7,848,515	3,101,753	-	-	-
Total liabilities	3,030,192,882	2,673,281,895	2,051,515,157	1,707,799,944	1,458,912,015

Equity

Share capital and share premium	212,438,802	212,438,802	212,438,802	172,477,671	172,477,671
Retained earnings	120,218,603	93,329,188	49,459,102	36,499,779	23,095,392
Other components of equity	136,833,692	115,910,630	98,531,000	65,178,336	49,608,934
Total equity	469,491,097	421,678,620	360,428,904	274,155,786	245,181,997

Total liabilities and Equity	3,499,683,979	3,094,960,515	2,411,944,061	1,981,955,730	1,704,094,012
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Gross earnings	398,161,575	331,000,972	302,061,975	221,610,769	182,888,906
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Profit before income tax	67,043,501	80,579,576	65,177,914	46,142,422	31,365,396
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Profit for the year	53,238,822	64,026,135	65,868,773	39,941,126	26,211,844
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Dividend paid	18,803,180	15,910,384	13,729,777	13,729,777	12,588,538
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Earning per share - Basic	184k	237k	174k	114k	157k
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- Adjusted	184k	237k	174k	114k	157k
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Number of ordinary shares of 50k	28,927,971,631	28,927,971,631	22,882,918,908	22,882,918,908	22,882,918,908
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05 | SHAREHOLDER INFORMATION



Access Bank's commitment to effectively communicate with its shareholders

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SHAREHOLDER ENGAGEMENT

The Board and Management of Access Bank are committed to ensuring transparency in their dealings with stakeholders. Accordingly, we provide shareholders with a continuous and timely flow of financial and non-financial information in order to ensure that their expectations are aligned with the Bank's corporate objectives.

Access Bank continues to carry out several enhancements of its investor relations programme to effectively communicate with Shareholders. The Bank, in keeping with best practice, employs various channels of communication to provide information to its shareholders:

CHANNEL	DESCRIPTION
Annual Report and Accounts	The Annual Report and Accounts is a comprehensive report of the Bank's activities throughout the preceding year. It is produced in paper and electronic format and posted to Shareholders and other stakeholders at least 21 days before the Annual General Meeting as required by law.
Website	The Bank's website, www.accessbankplc.com , serves as a go-to resource and is continuously updated with relevant information for our shareholders.



CHANNEL	DESCRIPTION
Result Announcement	The Bank ensures complete access to financial performance information through the publication of quarterly and annual results in the papers and online media.
Conference calls	Following the publication of the Bank's results is the conference call with shareholders, investors and analysts. The conference calls provide the investors community to gain a better understanding of the Bank's performance and future plans.
Annual General Meeting (AGM)	The Annual General Meeting is an annual event during which the Bank's Board and Senior Management meet with shareholders to discuss the Bank's performance, strategy and other concerns of shareholders. Decisions are reached by majority vote as required by law.
Shareholder Associations Meeting	In addition to the Annual General Meeting, the Bank considers it important to hear from representatives of various shareholder associations in order to address shareholders' concerns and receive advice from shareholders.
Non-Deal Road Show	The Bank's management team ensures that it meets international and local Shareholders at least once a year.
Strategy Presentation at the Stock Exchange	The Bank on December 4, 2017 presented its 2018-2022 strategic plan to the investors community at the Nigerian Stock Exchange. The occasion provided the Board and Management the opportunity to receive investors' views about the Bank's performance and future prospects as well as their expectations from the Bank.

Rights and responsibilities of Shareholders

Our Shareholders are encouraged to share in the responsibility of sustaining the Bank's corporate values by exercising their rights which include

- Voting at the Shareholders' meeting
- Sharing in the property of the company upon dissolution
- Participating in Shareholders' meetings
- Electing and removing Directors
- Approving bylaws and changes thereto
- Appointing the auditor of the Bank
- Examining corporate records, financial statements and Directors' reports and
- Approving major or fundamental changes (such as those affecting a company's structure or business activities).

Enquiries and Complaints Management

The Investors Enquiries and Complaints Management Policy ('the Policy') sets out the manner and circumstances in which the Shareholders of the Bank may contact the Bank regarding their shareholding interest in the Bank and how the Bank will address the shareholders' concerns. It provides guidance to the individuals within the Bank that are responsible for handling and resolving shareholders' complaints or enquiries. The policy provides for efficient, fair and timely management and resolution of shareholders' enquiries and complaints.

The policy is made pursuant to the Securities and Exchange Commission's rules relating to the Complaints Management Framework of the Nigerian Capital Market and the implementing Circular Number NSE/LARD/CIR6/15/04/22 issued by the Nigerian Stock Exchange and is contained in Page 365 of this report.

INVESTOR RELATIONS CONTACT DETAILS

	Retail Shareholders	Institutional Investors & Financial Analysts
E-mail	shareholderservices@accessbankplc.com info@unitedsecuritieslimited.com	investorrelations@accessbankplc.com
Phone	234-1-2364130 234-1-2714566-7	234-1-2364130
Contact Address	United Securities Ltd. Plot 09, Amodu Ojikutu Street, Victoria Island, Lagos. Shareholder Services Unit, Access Bank Plc. Plot 999c, Danmole Street, Victoria Island, Lagos.	Investor Relations Unit Access Bank Plc Plot 999c, Danmole Street, Victoria Island, Lagos.



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 29th Annual General Meeting of members of ACCESS BANK PLC will hold at Balmoral Convention Centre, Federal Palace Hotel, 6-8 Ahmadu Bello Way, Victoria Island, Lagos on Wednesday, April 25, 2018 at 10.00 a.m. You will be asked to consider and, if thought fit, to pass the resolutions below:

A. ORDINARY BUSINESS

As Ordinary Resolutions:

1. To receive the Group's Audited Financial Statements for the year ended December 31, 2017 and the Reports of the Directors, Auditors and Audit Committee thereon.
2. To declare a final dividend.
3. To re-elect Dr. Ernest Ndukwe, OFR as an Independent Non-Executive Director.
4. To re-elect Mrs. Anthonia O. Ogunmefun as a Non-Executive Director.
5. To approve the appointment of Ms. Hadiza Amburisa who was appointed as an Executive Director by the Board since the last Annual General Meeting.
6. To approve the appointment of Mr. Adeolu Bajomo who was appointed as an Executive Director by the Board since the last Annual General Meeting.
7. To authorise the Directors to fix the remuneration of the Auditors.
8. To elect/re-elect members of the Audit Committee.

B. SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions.

9. That the Directors' fees for the financial year ending December 31, 2018 be and is hereby fixed at NGN 51,875,000.00 (fifty-one million, eight hundred and seventy-five thousand Naira only).
10. That the Board of Directors be and is hereby authorised to increase the size of the Bank's existing USD 1,000,000,000.00 (One Billion United States Dollars) Debt Issuance Programme to USD1,500,000,000 (One Billion, Five Hundred Million United States Dol-

lars) through the issuance of non-convertible loans, notes, bonds and or any other instruments whether by way of a public offering, private placement, book building process, reverse call enquiry or any other method or combination of methods, in such tranches, series or proportions and at such dates, coupon or interest rates within such maturity periods and upon such terms and conditions as may be determined by the Board of Directors subject to obtaining the requisite approvals of the relevant regulatory authorities.

11. That the Board of Directors be and is hereby authorised to take all actions that may be necessary to give effect to the foregoing resolutions.

PROXY

A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in his/her stead. A Proxy need not also be a member. A proxy form is attached to the Notice and it is valid for the purpose of the meeting. All instruments of proxy should be duly stamped at the Stamp Duties Office and deposited at the office of the Registrar, United Securities Limited, Plot 09, Amodu Ojikutu Street, off Saka Tinubu Street, Victoria Island, Lagos, not later than 48 hours prior to the time of the meeting.

Dated this 29th day of March 2018.

BY ORDER OF THE BOARD

SUNDAY EKWOCHI

COMPANY SECRETARY

FRC/2013/NBA/00000005528

NOTES

A. Dividend

If the proposed Final Dividend of 40 Kobo per every 50 Kobo ordinary share is approved, dividend will be payable on Wednesday, April 25, 2018 to shareholders whose names appear in the Register of Members at the close of business on Thursday, April 12, 2018 (bringing the Total Dividend paid for 2017 financial year to 65 kobo per share). Shareholders who have completed the e-dividend mandate forms will receive direct credit of the dividend into their bank accounts on the date of the Annual General Meeting.



B. Closure of Register of Members

The Register of Members and Transfer Books of the Bank will be closed from Friday, April 13, 2018 to Wednesday, April 18, 2018 (both dates inclusive) to enable the Registrar prepare for the payment of dividend.

C. Statutory Audit Committee

The Audit Committee consists of 3 shareholders and 3 directors. In accordance with S.359(5) of the Companies and Allied Matters Act, 1990, any member may nominate a 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 Central Bank of Nigeria and the Securities and Exchange Commission in their respective Codes of Corporate Governance require at least one member of the Audit Committee to be knowledgeable in internal control processes, accounting and financial matters. Consequently, a detailed resume disclosing requisite qualification should be submitted with each nomination.

D. E-Dividend

Shareholders are kindly requested to update their records and advise the Registrar, United Securities Limited of their updated records and relevant bank account details for payment of dividend. Detachable forms in respect of mandate for e-dividend payment, unclaimed dividend/stale warrants and shareholder's data update are attached to the Annual Report for convenience. The aforementioned forms can also be downloaded from the Bank's website at www.accessbankplc.com or from United Securities Limited's website at <http://www.unitedsecuritieslimited.com/uploads/files/ShareholderDataUpdate.pdf>.

The duly completed forms should be returned to United Securities Limited, Plot 09, Amodu Ojikutu Street, Off Saka Tinubu Street, Victoria Island, Lagos or to any branch of Access Bank Plc.

E. E-Annual Report

The electronic version of the Annual report is available at www.accessbankplc.com. Shareholders who have provided their email details to the Registrar will receive the electronic version of the Annual Report via email. Additionally, Shareholders who are interested in receiving the electronic version of the Annual Report can request via e-mail to info@unitedsecuritieslimited.com

unitedsecuritieslimited.com or groupcompanysecretariat@accessbankplc.com.

F. Biographical Details of Directors for Re-election/Approval

Biographical details of Directors standing for election or approval are provided in the Annual Report.

G. Website

A copy of this Notice and other information relating to the meeting can be found at <http://www.accessbankplc.com/investors>.

H. Questions from shareholders

Shareholders and other holders of the Company's securities reserve the right to ask questions not only at the meeting but also in writing prior to the meeting on any item contained in the Annual Report and Accounts. Please send questions, comments or observations to the Company Secretariat Department, Access Bank Plc, Plot 999c, Danmole Street, Victoria Island, Lagos or by email to groupcompanysecretariat@accessbankplc.com not later than Tuesday, April 10, 2018. Questions and answers will be presented at the Annual General Meeting.

I. Pre-Registration for Attendance

Please be informed that shareholders can pre-register to attend the meeting by completing the form available at http://www.unitedsecuritieslimited.com/uploads/files/AGM_20PRE-REGISTRATION_20FORM.pdf. The pre-registration portal will open on Wednesday, April 4, 2018 and close on Monday, April 23, 2018. Interested shareholders are advised to complete the pre-registration form and return the duly completed form to the Registrar, United Securities Limited Plot 09, Amodu Ojikutu Street, Off Saka Tinubu Street Victoria Island, Lagos, or via e-mail at info@unitedsecuritieslimited.com.

EXPLANATORY NOTES TO THE PROPOSED RESOLUTIONS

The Notes below provide explanation to the proposed resolutions.

All the resolutions are being proposed as ordinary resolutions. This means that for each resolution to be passed a simple majority of votes in its favour is required. Please note that if you abstain from voting you will not be counted in the calculation of the proportion of votes 'for' or 'against' a resolution.

Resolution 1: Annual Report and Accounts

The Directors are required under Section 345 (1) of the Companies and Allied Matters Act 1990 to lay before the company in General Meeting for each financial year copies of the financial statements of the company made up to a date not exceeding nine months prior to the date of the meeting. This provides the shareholders the opportunity to ask questions on the content of the Annual Report and Financial Statements.

Resolution 2: Declaration of Final Dividend

By Section 379 (1) of the Companies and Allied Matters Act 1990, the General Meeting has the power to approve or reduce the final dividend recommended by the Directors but cannot increase the amount. If the 40 Kobo final dividend per ordinary share recommended by the Directors is approved, the final dividend net of withholding tax will be payable on Wednesday, April 25, 2018 to those shareholders registered on the Company's register of shareholders as at Thursday, April 12th, 2018.

Resolutions 3-6: Re-election and Approval of Directors

Your company's Articles of Association require one third of all Non-Executive Directors (rounded down) to stand for re-election every year (depending on their tenure on the Board) together with Directors appointed by the Board since the last Annual General Meeting ('AGM'). In keeping with the requirement, Dr. Ernest Ndukwe and Mrs. Anthonia O. Ogunmefun will retire at this Annual General Meeting and being eligible for re-election will submit themselves for re-election. It is hereby confirmed that following a formal evaluation, the Directors continue to demonstrate commitment to their role as Non-Executive Directors.

The Board pursuant to the powers vested on it by the Arti-

cles of Association has appointed Ms. Hadiza Ambursa and Mr. Adeolu Bajomo as Executive Directors subject to regulatory and shareholders approvals. The appointments have been approved by the Central Bank of Nigeria. As required by the Articles of Association, the appointments will be tabled before the shareholders for approval.

The Board considers all the Directors standing for re-election or approval as highly experienced and capable of adding value to the Board.

The biographical details of the four Directors are set out below. The Board recommends the election/approval of the four Directors to enable it maintain the needed balance of skill, knowledge and experience.

Ernest Ndukwe, OFR Independent Non-Executive Director

Dr. Ndukwe is an Electrical/Electronics Engineer, with over three decades experience in the telecommunications industry. He was the Managing Director of General Telecoms between 1989 and 2000 and Executive Vice Chairman of Nigerian Communications Commission between 2000 and 2010.

He is a graduate of University of Ife and an alumnus of Lagos Business School. He is a fellow of the Nigerian Society of Engineers, Nigerian Institute of Management and Nigerian Academy of Engineering. Dr. Ndukwe sits on the boards of SystemSpecs Limited, Open Media Group and Salt & Einsten MTS Limited.

He joined the Board of Access Bank in December 2012 and chairs the Board Audit Committee and Board Digital and Information Technology Committee.

Dr. Ndukwe is 69 years old as at the date of this meeting.

Anthonia O. Ogunmefun Non-Executive Director

Mrs. Ogunmefun is the Managing Partner of Kemi Ogunmefun Law Office, a Canadian based private legal practice specialising in Immigration Law, Family Law, Real Estate and Corporate Law. She served as the Chairperson of Governance Committee of Kinark Child and Family Services, a major Canadian Childcare Trust and is a Non-Executive Director of LOC Nominees Limited.



Mrs. Ogunmefun obtained her Bachelor of Laws degree from University of Lagos in 1974. She was called to the Nigerian Bar in 1975 and the Law Society of Upper Canada in 2004. She was appointed to the Board in April 2011.

Mrs. Ogunmefun is the Chairman of the Board Risk Management Committee and Vice Chairman of the Governance and Nomination Committee.

She is 66 years old as at the date of this meeting.

**Hadiza Ambursa
Executive Director**

Ms. Ambursa's appointment as Executive Director, Commercial Banking, North was approved by the Central Bank of Nigeria on November 28, 2017. She has over two decades banking experience in different facets of banking from Guaranty Trust Bank and Access Bank. Prior to joining Access Bank in 2003, she was a Relationship Manager, Public Sector at Guaranty Trust Bank.

She graduated with a B.Sc in Political Science from University of Jos in 1991 and also obtained an M.A in Law and Diplomacy in 1996 from the same University. She subsequently attended Massachusetts Institute of Technology ('MIT') where she bagged an MBA in 2009. She has attended several Executive Management Development Programmes in leading institutions including Harvard Business School and MIT.

Ms. Ambursa represents Access Bank on the Board of Access Bank (Gambia) Ltd.

She is 47 years old as at the date of this meeting.

**Adeolu Bajomo
Executive Director**

Mr. Adeolu's appointment as Executive Director, Information Technology and Operations was approved by the Central Bank of Nigeria on January 4, 2018. He is a globally focused financial services executive with achievements cutting across banking, insurance and capital market. He was until recently, the Executive Director, Market Operations and Technology at the Nigerian Stock Exchange. In that role, he delivered market-wide transformation initiatives that firmly established the Exchange as the second largest bourse in Africa by market capitalization with over 7 million investors.

Prior to his work at the Nigerian Stock Exchange, Mr. Bajomo had worked as Regional Head of Transformation Programme at Barclays Bank Plc UK (2007-2011); Head of IT Strategy and Systems at Pearl Insurance Group, UK (2006-2007) and IT Director at Fortis Bank UK (1997-2006) amongst other leadership roles.

He holds an MBA from CASS Business School; MSc Infor-

mation Systems Engineering from South Bank University, London and a BSc in Civil Engineering from University of Ife. Mr. Bajomo is a chartered member of British Computer Society and a member of Institute of Directors, UK.

He is 51 years old as at the date of this meeting.

The interest of Directors standing for election or being submitted for approval in the ordinary shares of the Bank as at December 31, 2017 are as shown below.

S/N	Director's Name	Direct Holding	Indirect Holding
1	Ernest Ndukwe	700,000	-
2	Anthonia O. Ogunmefun	-	1,457,263
3	Hadiza Ambursa	6,927,181	-
4	Adeolu Bajomo	-	-

Resolution 7: Approval of Auditor's Remuneration

PricewaterhouseCoopers was appointed as the statutory auditor of the Bank by the ordinary resolution of shareholders passed at the 24th Annual General Meeting held on April 25, 2013. Section 361 (1) (b) of the Companies and Allied Matters Act, 1990 provides that the remuneration of auditors of a company shall subject to Section 361 (1) (a) be fixed by the company in general meeting or in such manner as the company in general meeting may determine. Pursuant to this provision, the shareholders will be required to authorize the Directors to fix the remuneration of the statutory auditor for the financial year ending December 31, 2018.

Resolution 8: Election/Re-election of Members of Audit Committee

In accordance with S.359(5) of the Companies and Allied Matters Act, 1990, any member may nominate a shareholder for election as a member of the Statutory Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the Annual General Meeting.

Members will be required to vote at the Annual General Meeting to elect or re-elect members of the Bank's Statutory Audit Committee.

Resolution 9 – Approval of Directors' Fees

The Bank is required by law to seek the approval of the annual fees payable to the Non-Executive Directors. Shareholders will therefore be required to approve annual fees of NGN 51,875,000.00 (fifty-one million, eight hundred and seventy-five thousand Naira only) for the Non-Executive Directors for the 2018 financial year. The proposed remuneration is as follows:



neration is maintained at the 2015 level.

Resolutions 10 & 11: Raising of Additional Debt Capital

To achieve its strategic growth objectives, the Bank always strives to optimize its balance sheet and capital structure. The Board is committed to enhancing the Bank's funding and capital base through an efficient capital structure. This need is underscored by the growing scale of regulatory headwinds, economic realities and the Bank's business needs which have further put demands on capital.

To this end, Shareholders are being requested to authorise the Directors to increase the size of the Bank's existing Debt Issuance Programme from USD 1,000,000,000.00 (One Billion United States Dollars) to USD 1,500,000,000.00 (One Billion, Five Hundred Million United States Dollars) through the issuance of debt securities that will include non-convertible loans, notes, bonds, and or any other instruments that are considered appropriate for the Bank to meet its growth objectives and in such tranches as may be required.

Shareholders are therefore requested to authorise the Board of Directors to take all such steps as may be required to raise additional capital in the manner stated in the resolution.

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FOR MORE INFORMATION

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🌐 www.accessbankplc.com





CAPITAL FORMATION

Timeline	Corporate Action	Number of Shares	Amount
05/11/1998	Public Issue for Cash	1,200,000,000	600,000,000
21/09/2001	Bonus	300,000,000	150,000,000
23/09/2001	Public Issue for Cash	1,200,000,000	600,000,000
31/03/2003	Bonus	300,000,000	150,000,000
30/08/2004	Bonus	1,000,000,000	500,000,000
31/08/2005	Bonus	1,158,746,000	579,373,000
31/09/2005	Public Issue for Cash	4,111,214,000	2,055,607,000
31/11/2005	Private Placement	499,358,000	249,679,000
31/12/2005	Share Exchange Capital & Marina Banks	4,187,003,722	2,093,501,861
31/10/2006	Share Reconstruction	(6,978,160,860)	(3,489,080,430)
31/07/2007	Public Issue for Cash	9,164,340,987	4,582,170,494
31/12/2008	IFC Loan Conversion to Equity	71,756,590	35,878,295
31/06/2009	Bond Conversion	47,788,360	23,894,180
31/06/2010	Bonus	1,626,204,679	813,102,340
23/01/2012	Share Exchange Intercontinental Bank	4,994,667,430	2,497,333,715
30/08/2015	Rights Issue	6,045,052,723	3,022,526,362
		28,927,971,631	14,463,985,816

**Affix
Current
Passport**
(To be stamped by bankers)

Please write your name at the
back of your passport
photograph



E-MANDATE ACTIVATION FORM

Instruction

Please complete all sections of this form to make it eligible for processing and return to the address below

Only Clearing Banks are acceptable

The Registrar,

UNITED SECURITIES LIMITED RC 126257
9, Amodu Ojikutu Street, Off Bishop Oluwole Street,
Victoria Island, P.M.B 12753 Lagos, Nigeria.

Kindly quote your shareholder account no in the box below	
Name of Company	Shareholder Number
ACCESS BANK PLC	

I/We hereby request that henceforth, all my/our Dividend Payment(s) due to me/us from my/our holdings in all the companies ticked at the right-hand column be credited directly to my \ our bank detailed below:

Bank Verification Number (BVN)

--	--	--	--	--	--	--	--	--	--	--	--

Bank Name

Bank Account Number

Account Opening Date

Shareholder Account Information

Surname / Company's Name	First Name	Other Names
--------------------------	------------	-------------

Address (Previous & New)

Gender (Male/Female)	City	State	Country
----------------------	------	-------	---------

Previous Address (If any)

CHN (If any)

Mobile Telephone 1	Mobile Telephone 2
--------------------	--------------------

Email Address

Signature(s)

Company Seal (If applicable)

Joint/Company's Signatories

For inquiries, please call 01-2714566-7 or send e-mail to customerscare@unitedsecuritieslimited.com

UNITED SECURITIES LIMITED

Website: www.unitedsecuritieslimited.com ; E-mail: info@unitedsecuritieslimited.com or the completed update form can also be submitted through any Access Bank Plc nearest to you.

"UNITED SECURITIES LIMITED hereby disclaims liability or responsibility for errors/omissions/misstatements in any document transmitted electronically"

SHAREHOLDERS' INFORMATION UPDATE FORM

Date (DD/MM/YYYY)

--	--	--	--	--	--	--	--	--	--

I/We wish to request that my/our details as (a) Shareholder(s) of Access Bank Plc be amended to reflect the following information:

Surname /Company Name:

Other Names (for individual Shareholder)

Present Postal Address

Previous Postal Address

E-Mail Address: -

Mobile (GSM) Phone Number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

GENDER (MALE/FEMALE)

BVN

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I/We confirm that all information supplied is to the best of my/our knowledge correct and hereby indemnify United Securities Limited against any loss that may arise from their adoption of the details as supplied.

Shareholder's signature or Thumbprint

Shareholder's signature or Thumbprint

Company Seal/ Incorporation number (Corporate Shareholder)

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

AUTHORISED SIGNATURE & STAMP OF BANKERS

Kindly return the duly completed form to the Registrar;
 United Securities Limited RC 126257
 9, Amodu Ojikutu Street, Off Bishop Oluwole Street Victoria Island, P.M.B 12753 Lagos, Nigeria.
 Website: www.unitedsecuritieslimited.com ; E-mail: info@unitedsecuritieslimited.com or the completed update form can also be submitted through any Access Bank Plc nearest to you.

"UNITED SECURITIES LIMITED hereby disclaims liability or responsibility for errors/omissions/misstatements in any document transmitted electronically"



PROXY FORM

29TH ANNUAL GENERAL MEETING to be held at Balmoral Convention Centre, Federal Palace Hotel, 6-8, Ahmadu Bello Way, Victoria Island, Lagos on Wednesday, April 25, 2018 at 10:00 a.m.

"I/WE

(Name of Shareholder in block letters)

Being a member/(s) of the above named Company hereby appoints..... and failing him/her the Chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf at the 29th Annual General Meeting of the Company to be held on Wednesday, April 25, 2018 and at any adjournment thereof. Unless otherwise instructed, the Proxy will vote or abstain from voting as he/she thinks fit.

SIGNATURE OF SHAREHOLDER

DATE: DD / MM / YYYY

ORDINARY BUSINESS / ORDINARY RESOLUTIONS	FOR	AGAINST	ABSTAIN
1. To receive the Group's Audited Financial Statements for the year ended December 31, 2017 and the Reports of the Directors, Auditors and Audit Committee thereon.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. To declare a final dividend.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. To re-elect Dr. Ernest Ndukwe as an Independent Non-Executive Director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. To re-elect Mrs. Anthonia O. Ogunmefun as a Non-Executive Director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. To approve the appointment of Ms. Hadiza Ambursa who was appointed as an Executive Director by the Board since the last Annual General Meeting.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. To approve the appointment of Mr. Adeolu Bajomo who was appointed as an Executive Director by the Board since the last Annual General Meeting.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. To authorise the Directors to fix the remuneration of the Auditors.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. To elect/re-elect members of the Audit Committee.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SPECIAL BUSINESS/ORDINARY RESOLUTIONS	FOR	AGAINST	ABSTAIN
9. That the Directors' fees for the financial year ending December 31, 2018 be and is hereby fixed at NGN 51,875,000.00 (fifty-one million, eight hundred and seventy-five thousand Naira only).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. That the Board of Directors be and is hereby authorised to increase the size of the Bank's existing USD 1,000,000,000.00 (One Billion United States Dollars) Debt Issuance Programme to USD 1,500,000,000.00 (One Billion, Five Hundred Million United States Dollars) through the issuance of non-convertible loans, notes, bonds and or any other instruments whether by way of a public offering, private placement, book building process, reverse call enquiry or any other method or combination of methods, in such tranches, series or proportions and at such dates, coupon or interest rates within such maturity periods and upon such terms and conditions as may be determined by the Board of Directors subject to obtaining the requisite approvals of the relevant regulatory authorities.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. That the Board of Directors be and is hereby authorised to take all actions that may be necessary to give effect to the foregoing resolutions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

IMPORTANT NOTES:

- Before posting the above proxy, please tear off this part and retain it. A person attending the Annual General Meeting of the Bank or his proxy should produce this card to secure admission to the meeting.
- A member of the Bank is entitled to attend and vote at the Annual General Meeting of the Bank. He is also entitled to appoint a proxy to attend and vote instead of him, and in this case, the above card may be used to appoint a proxy.
- In line with best practice, the name of two Directors of the Bank have been entered on the proxy form to ensure that someone will be at the meeting to act as your proxy, but if you wish, you may insert in the black space on the form (marked*) the name of any person, whether a member of the Bank or not who will attend and vote on your behalf instead of one of the Directors named.
- The above proxy, when completed must be deposited at the office of United Securities Limited, Plot 09 Amodu Ojikutu Street, off Saka Tinubu Street, Victoria Island, Lagos, not less than 48 hours before the time fixed for the meeting.
- It is a requirement of the law under the Stamp Duties Act, Cap 58, Laws of the Federation of Nigeria, 2004, that any instrument of proxy to be used for the purpose of voting by any person entitled to vote at any meeting of shareholders must bear a stamp duty.
- If proxy form is executed by a company, it should be sealed under its common seal or the hand and seal of its attorney.

Please indicate with an 'X' in the appropriate box how you may wish your votes to be cast on the resolutions set above. Unless otherwise instructed, the proxy will vote or abstain from voting at his discretion.

Before posting the above form please tear off this part and retain it for admission to the meeting

Please tick appropriate box before admission to the meeting

- PROXY
 SHAREHOLDER

ADMISSION CARD ACCESS BANK PLC RC 125,384

Please admit the Shareholder named on this admission form or his/her appointed proxy to the 29th Annual General Meeting to be Held At Balmoral Convention Centre, Federal Palace Hotel, 6-8, Ahmadu Bello Way, Victoria Island, Lagos, on Wednesday, April 25, 2018 at 10:00 a.m.

Name of Shareholder:

Address of Shareholder

Number of Shares Held

SIGNATURE OF PERSON ATTENDING



Sunday Ekwochi
Company Secretary

999C, Danmole Street, Victoria Island, Lagos.

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SPEED SERVICE SECURITY



INVESTORS' ENQUIRIES AND COMPLAINTS MANAGEMENT POLICY

1. SCOPE AND OBJECTIVES OF THE POLICY

This Investors' Enquiries and Complaints Management Policy ('the Policy') sets out the manner and circumstances in which the shareholders of Access Bank Plc ('the Bank or Access Bank') may contact the Bank regarding their shareholding interest in the Bank and how the Bank will address the shareholders' concerns. It provides guidance to the individuals within the Bank that are responsible for handling and resolving shareholders' complaints or enquiries. The Policy provides for efficient, fair and timely management and resolution of shareholders' enquiries and complaints.

The Policy is made pursuant to the Securities and Exchange Commission's Rules Relating to the Complaints Management Framework of the Nigerian Capital Market and the implementing Circular Number NSE/LARD/CIR6/15/04/22 issued by the Nigerian Stock Exchange.

The policy does not cover complaints and enquiries by the Bank's customers, suppliers or other stakeholders or complaints falling outside the purview of the Securities and Exchange Commission ('SEC'). The Bank's Registrars, United Securities Limited has its own complaints handling procedures and policies, which are not covered by this policy. The contact details of the Registrars are contained in Article 9 of this Policy.

2. STATEMENT OF COMMITMENT

Access Bank is committed to providing high standards of services to shareholders, including:

- i. Efficient and easy access to shareholders' information;
- ii. Enabling shareholders to have their matters acknowledged and addressed; and
- iii. Providing the means for shareholders' enquiries and complaints to be appropriately handled.

3. DEFINITIONS

Unless otherwise described in the Policy, the following terms and definitions apply throughout this policy:

- 3.1 'Access Bank Plc' means the company which has its ordinary shares listed on the Nigerian Stock Exchange under ISIN Number NGA ACCESS 0005 and further identified with Legal Entity Identifier Number 029200328C3N9Y12D660.

- 3.2 'Shareholder' means the registered owner of ordinary shares in Access Bank

- 3.3 'Competent Authority' means the Nigerian Stock Exchange.

4. ENQUIRIES AND COMPLAINTS PROCEDURES

There are a number of ways shareholders can access relevant information about their shareholding and make related enquiries and complaints.

4.1 Visiting the Bank's Website

Shareholders may visit the Bank's website at www.accessbankplc.com for detailed information to assist them in managing their investments. Information available on the website include but not limited to calendar of key dates, useful shareholder forms, frequently asked questions and Annual General Meeting Notices.

4.2 Contact our Registrar

Shareholders who wish to make an enquiry or complaint about their shareholding should first of all contact the Registrar, United Securities Limited (see the contact details in Article 9 of this policy). The Registrar manages and updates all the registered information relating to shareholdings, including shareholder's name(s); payment of dividend; distribution of Annual Report and company's meeting notices; distribution of share certificates and e-allotment; change of shareholder's address, mandate and name as well as filing of caution on shares and e-dividend mandate.

4.3 The Web Registry Platform

This is a web based platform provided by the Bank's Registrar to the Bank's shareholders. The platform affords shareholders the opportunity to enjoy the following services:

- i. Ability to generate, print or export their Statement of Shareholding.
- ii. Access to view certificate details, including dividend and other transaction history.



- iii. Ability to initiate certificate dematerialisation request and follow up on the status of the request independent of the stock broker prior to the broker submitting the physical documentation.
- iv. On-line change of address without having to write the Registrars.
- c) Complaint management and resolution procedure and requirements
- d) Anticipated closure time.

How to Access the Web Registry Service

- i. Download form from the Registrar's website at www.unitedsecuritieslimited.com
- ii. Complete form and return to the Registrar
- iii. Pay an Annual Subscription fee of N1,000
- iv. Receive log-on detail and password
- v. Access portal on the Registrar's website.

The Web Registry provides a quick, convenient and secure way for conducting standard shareholders' enquiries and transactions.

4.4. Investor Relations Desk at the Bank's Branches

Shareholders can visit any of the Bank's branches nationwide and submit their completed forms or complaint letters at the branch which are transmitted to the Investor Relations Unit for resolution or referenced to the Registrar as the case may be.

5 ENQUIRIES AND COMPLAINTS TO THE BANK'S INVESTOR RELATIONS UNIT

Access Bank is committed to responding to shareholders' enquiries and complaints fairly and promptly, whether by email, telephone or post. The following actions will be taken upon receipt of an enquiry or complaint:

- 5.1 Complaints received by e-mail shall be acknowledged by e-mail within two (2) working days. Where complaints are received by post, the Bank shall respond within five (5) working days of the receipt of the complaint. The Bank will respond using the same or similar medium that was used for the initial enquiry unless otherwise notified or agreed with the shareholder. The acknowledgement letter will typically contain the following information.
 - a) Details of how the complainant will be updated on the complaint status.
 - b) Name, designation and direct contact of the officer dealing with the complaint.

- 5.2 The Bank shall endeavour to resolve all complaints received by it within ten (10) working days (upon the shareholder meeting all conditions precedent) and notify the competent authority within two (2) days of the resolution.

- 5.3 Where the complaint is not resolved within the given time frame, the complainant may refer the complain to the Competent Authority within two (2) working days enclosing a summary of events leading to the referral and copies of relevant supporting documents.

6. RECORDING OF ENQUIRIES AND COMPLAINTS AND REPORTING

The Bank shall maintain an Electronic Register for Complaints and Enquiries. The register shall contain the following information:

- i. The date the enquiry or complaint was received;
- ii. Name of the shareholder;
- iii. Telephone number, e-mail address or other contact details;
- iv. Nature of enquiry or complaint;
- v. Details of enquiry
- vi. Whether there is any cost associated;
- vii. Action taken;
- viii. Copy of all correspondence sent to the shareholder
- ix. Remarks and Comments.

The Company Secretary shall compile and file electronic copies of the report to the Nigerian Stock Exchange on a quarterly basis at ir@nse.com.ng or any other e-mail address as may be advised by the Nigerian Stock Exchange.

7. LIAISON WITH THE BANK'S REGISTRAR

In investigating a shareholder's enquiry, complaint or feedback, the Bank may liaise with the Registrar. If necessary, the Bank's engagement with the Registrars will include:



- i. Determining the facts;
- ii. Determining what action has been taken by the Registrar (if any); and
- iii. Coordinating a response with the assistance of the Registrar.

8. CONDITIONS FOR CLOSURE

The Bank shall consider a complaint closed in any of the following situations.

- i. When the Bank has fully met the shareholder's request.
- ii. Where the shareholder has accepted the Bank's response.
- iii. Where the shareholder has not responded to the Bank within 4 weeks of receiving the letter of closure.
- iv. Where the Bank's Company Secretary or the General Counsel has certified that the Bank has met its contractual, statutory or regulatory obligation.
- v. Where the shareholder reverts with a fresh complaint after a letter of closure has been sent.

9. REGISTRAR'S CONTACT DETAILS

The Bank's Registrar, United Securities Limited may be contacted through the following means

Office Address

Plot 09, Amodu Ojikutu Street, Off Saka Tinubu Street,
Victoria Island, Lagos, Nigeria
Telephone: +234 (1) 271 4566, +234 (1) 271 4567
E-mail: info@unitedsecuritieslimited.com

10. THE BANK'S INVESTOR RELATIONS UNIT

Shareholders seeking more information about the Bank may contact the Investor Relations Unit at:

Plot 999C, Danmole Street,
Off Idejo Street,
Victoria Island, Lagos
Telephone: +234(1) 2804130
Email: investorrelations@accessbankplc.com

11. PUBLICATION

This policy is available on the Bank's website at www.accessbankplc.com

12. RESOURCES

The Bank shall provide sufficient resources so that shareholders enquiries and complaints may be dealt with adequately and in an efficient and timely manner.

13. CHARGES AND FEES

Wherever possible and subject to statutory requirement, Access Bank will not charge shareholders for making enquiries, giving feedback, providing a response or for any aspect in the course of resolving a shareholder's matter.

The Registrar may however reserve the right to charge the shareholders for value adding services.

14. REVIEW

The Bank will regularly review this policy and the procedure concerning shareholders' enquiries and complaint. Any changes or subsequent versions of this policy shall be published in the Bank's website at www.accessbankplc.com.

06 | CORPORATE INFORMATION



Access Bank's commitment to communicate effectively with its shareholders

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BRANCH NETWORK

SN	BRANCHES	STATE	ADDRESS	PHONE NUMBER
1	Aba	Abia	4, Ezikuwu Road, Aba, Abia State	08126416099
2	Azikiwe Road Aba	Abia	15, Azikiwe Road, Aba, Abia State.	08126415964
3	Faulks Road	Abia	132, Faulks Road, Aba, Abia State .	08126415982
4	Umuahia	Abia	6, Library Avenue, Umuahia, Abia State.	08126415981
5	Umudike	Abia	University of Agriculture, Umudike Main Campus, Umudike, Abia State.	08126416046
6	Abuja NNPC Towers	Abuja	Block B, NNPC Towers, H/Macaulay Way, CBD, FCT, Abuja.	07085466806
7	Adetokunbo Ademola-Abuja	Abuja	Plot 833, Adetokunbo Ademola Cr. Wuse 2, Abuja.	08089046004
8	Aminu Kano Abuja	Abuja	Plot 1195, Aminu Kano Crescent, Wuse 2, Abuja.	08120620632
9	Asokoro	Abuja	Plot 87, Yakubu Gowon Crescent, Asokoro, Abuja.	07084563620
10	Bank of Industry Abuja	Abuja	Plot 256, Herbert Macaulay Way, Wuse, Zone 6, Abuja.	07019543892
11	Dei Dei	Abuja	Zone B2.582, Dei Dei Building Material Intl Mkt, Dei Dei, FCT, Abuja.	07081561000
12	Durumi	Abuja	Plot 1037, Shafa Shopping Centre, By Old Federal Secretariat, FCT, Abuja.	07010023218
13	Enugu House	Abuja	Plot 81, Ralph Shodeinde Street, Central Business District, Abuja	08024788907
14	Fed. Min. of Justice	Abuja	Fed. Min. of Justice Complex, Off Shehu Shagari Way, Maitama, Abuja.	08080100247
15	Fed. Sect. Abuja	Abuja	Phase 1, Blk 4A, 015, Fed. Secretariat Complex, Central Business District, Abuja.	08085399376
16	Federal Mortgage Bank	Abuja	Plot 266, Cadastral Ao, Federal Mortgage Bank of Nigeria Building, Central Bus. District, Abuja	07083896555
17	Garki 1	Abuja	Plot 599, Cadastral Zone A3, Gwarjo Close, off Gimbiya St, Garki, Area ii Abuja.	08089256779
18	Garki 2	Abuja	Plot 1231, Ahmadu Bello Way, Garki, Area ii, FCT, Abuja.	08121384293
19	Gwagwalada	Abuja	353, Specialist Hospital Road, Gwagwalada, FCT, Abuja.	08127128890
20	Herbert Macaulay	Abuja	PPRA Building, Plot 1012 Cadastral Zone, Central Business District, Abuja.	08120797446
21	Jos Street Abuja	Abuja	6 Jos Street, Area 3, Garki, FCT, Abuja.	07012257229
22	Karu	Abuja	Plot 312, Nyanya Sports Centre Layout, Cadastral Zone, Karu District, FCT, Abuja.	08084923436
23	Kubwa	Abuja	Plot 59, Gado Nasko Road, Kubwa, Abuja.	08121393678
24	Ladoke Akintola Blvd.	Abuja	Plot 1244, Ladoke Akintola Boulevard, Garki, Abuja.	07013879946
25	Maitama	Abuja	50, Gana Street, Cadastral Zone A05, Maitama, FCT, Abuja.	08084321262
26	NASRDA	Abuja	NASRDA Complex, Obasanjo Space Centre, Airport Road, Lugbe, Abuja	08126408476
27	National Assembly	Abuja	National Assembly Complex, White House Senate Wing, 3 Arm Zone, FCT, Abuja.	08029894126
28	Wuse Market	Abuja	Wuse Market, Wuse Zone 5, Abuja	08120797214
29	Utako	Abuja	Plot 903, Obafemi Awolowo Way, Utako, FCT, Abuja.	08024789071
30	Wuse	Abuja	Plot 2401, Cadastral Zone A7, Wuse, FCT, Abuja	08027132125



BRANCH NETWORK

SN	BRANCHES	STATE	ADDRESS	PHONE NUMBER
31	Yola	Adamawa	30, Abubakar Atiku Way, Yola, Adamawa State.	08021490008
32	Aka Road	Akwa Ibom	32, Aka Road, Uyo, Akwa Ibom State.	08126413070
33	Eket	Akwa Ibom	64, Grace Bill Road, Eket, Akwa Ibom State.	08126413138
34	Ikot Ekpene	Akwa Ibom	1, Abak Road, Ikot Ekpene, Akwa Ibom State.	08126413217
35	Oron	Akwa Ibom	180, Oron Road, Oron, Akwa-Ibom State.	07012167424
36	Uyo	Akwa Ibom	21, Wellington Bassey Way, Uyo, Akwa Ibom State.	08126413003
37	Awka 1	Anambra	Km 41, Enugu-Onitsha Express Way, Regina Caeli Junction, Awka, Anambra State.	07088340150
38	Awka 2	Anambra	222, Zik Avenue, Awka, Anambra State	07086394642
39	Bridge Head	Anambra	48, Port Harcourt Road, Bridge Head, Onitsha, Anambra State.	08081343797
40	Nnewi	Anambra	2, Edo Ezemewi Road, Nnewi, Anambra State.	08126410864
41	Ekwulobia Main	Anambra	21, Uga Road, Ekwulobia, Anambra State.	08126411196
42	Ihiala	Anambra	5, Umudimogu Road, Off Orlu Road, Ihiala, Anambra State.	08126416105
43	14-New Market Road	Anambra	14, New Market Road, Onitsha, Anambra State.	08126411093
44	30- New Market Road	Anambra	30, New Market Road, Onitsha, Anambra State.	08126410878
45	Ogidi	Anambra	Km7, Osha-Enugu Exp/Way, Building Matrl. Mkt, Ogidi, Anambra State.	08126411162
46	Stock Exchange	Anambra	4, Ridge Road, Stock Exchange Complex, Onitsha, Anambra State.	08126411040
47	Umunze	Anambra	10, Ogbunka Road, Orumba North Local Govt, Umunze, Anambra State.	08122770022
48	UNIZIK	Anambra	Bank Plaza, Nnamdi Azikiwe University, Awka, Anambra State.	08028566731
49	Upper Iweka	Anambra	Upper Iweka, New Electronic Mkt, Onitsha, Anambra State.	08126410983
50	Bauchi	Bauchi	5, Bank Road, Bauchi, Bauchi State.	08028099713
51	Mbiama Yenagoa Rd	Bayelsa	Mbiama/Yenagoa Road, Onopa Yenagoa, Bayelsa State.	08126415429
52	Twon Brass	Bayelsa	Opposite Agip Gate, Twon Brass, Bayelsa State.	08126414580
53	Gboko	Benue	Km 72, Benue Cement Factory, Makurdi -Gboko Road, Benue State.	09025377552
54	Gboko Main	Benue	5/7, J.s. Tarka Way, Gboko, Benue State.	08086069644
55	Makurdi 1	Benue	Plot 417, Gboko Road, Wurukum, Makurdi, Benue State.	08125114759
56	Makurdi 2	Benue	83, Olotuukpo Road, Makurdi, Benue State.	08020560555
57	Oturkpo	Benue	19, Federal Road, Oturkpo, Benue State.	08126408569
58	Zaki Ibiam	Benue	1, Kafe Clinic Street, Y-Junction, Off Katsina Road, Zaki Biam, Benue State.	08126408593
59	Biu	Borno	I, Damaturu Road, Biu, Maiduguri, Borno State.	08022145155
60	Maiduguri	Borno	24, Sir Kashim Ibrahim Way, Maiduguri, Borno State.	08087665863



BRANCH NETWORK

SN	BRANCHES	STATE	ADDRESS	PHONE NUMBER
61	Calabar	Cross River	16/18, Bogobiri Road, Calabar, Cross River State.	07081361795
62	Calabar Road	Cross River	10, Calabar Road, Calabar, Cross River State.	08024173668
63	Ogoja	Cross River	Plot 22, Hospital Road, Igoli, Ogoja, Cross River State.	08126413166
64	Agbor	Delta	126, Old Asaba Road, Agbor, Delta State .	08126411259
65	Deco Road	Delta	Okumagba Avenue, Deco Road, Warri, Delta State.	08126410858
66	Effurun Sapele Road	Delta	80, Effurun-Sapele Road, Warri, Delta State.	08126410861
67	Asaba	Delta	417B, Nnebisi Road, Asaba, Delta State.	07012771675
68	Sapele	Delta	82, Sapele/Warri Road, Sapele, Delta State.	07086895634
69	Abakaliki	Ebonyi	41, Ogoja Road, Abakaliki, Ebonyi State.	08029236394
70	Abakaliki Branch 2	Ebonyi	50 Afikpo Road, Abakaliki, Ebonyi State	07015421957
71	Airport Road	Edo	23, Airport Road, Benin City, Edo State.	08126410357
72	Auchi	Edo	33, Poly Road, Auchi, Edo State.	08126410751
73	Benin	Edo	45, Akpakpava Street, Benin City, Edo State.	08126410659
74	Ekpoma	Edo	6, Akhere Lane, Ekpoma, Edo State.	08126410611
75	Mission Road	Edo	70, Mission Road, Benin City, Edo State.	08123049679
76	Okada	Edo	New Site, Igbinedion University Campus, Okada, Edo State.	08126410724
77	Sapele Road	Edo	164, Sapele Road, Benin City, Edo State.	08126408906
78	Textile Mill Road	Edo	74, Edo Textile Mill Road , Benin City, Edo State.	08126410573
79	UNIBEN	Edo	Ransome Kuti Road, University of Benin, Benin City, Edo State.	08126410725
80	Uselu	Edo	170, Uselu Lagos Road, Benin City, Edo State.	08126410369
81	Ihama	Edo	62A , Ihama Road, GRA, Benin, Edo State	08126410371
82	Ado Ekiti	Ekiti	144, Secretariat, Iyin, Ekiti State.	08126412630
83	Ijero Ekiti Cash Centre	Ekiti	27, Market Square, Ijero Computer Centre Market Square, Ijero Ekiti, Ekiti State.	08126112686
84	Ajilosun	Ekiti	Ajilosun Road	09073095687
85	Abakaliki Road, Enugu	Enugu	Plot 9, Ebeano Housing Estate, Garden Avenue, Abakaliki Rd, Enugu, Enugu State.	08126409870
86	Abakpa Nike	Enugu	Block 16, Plot 7, Nike Road, Liberty Bus Stop, Abakpa, Enugu State.	08087603373
87	Agbani Road	Enugu	183, Agbani Road, Enugu Town, Enugu State.	08024791318
88	Enugu Road	Enugu	12, Enugu Road, Nsukka, Enugu State.	08126409818
89	Enugu State University	Enugu	Enugu State University, Agbani Town, Enugu State.	08024791315
90	Kenyatta	Enugu	42, Kenyatta Street, Uwani, Enugu, Enugu State.	08024791309
91	Ogui Road	Enugu	67, Ogui Road, By Nnamdi Azikiwe Stadium, Ogui, Enugu State.	08126409851
92	Okpara Avenue	Enugu	5, Okpara Avenue, Enugu, Enugu State.	08126409867
93	University Of Nigeria	Enugu	University of Nigeria, Enugu Campus, Enugu State.	08126409877
94	UNN Nsukka	Enugu	University of Nigeria, Nsukka, Enugu State.	07019570480
95	Ashaka Cash Centre	Gombe	Ashakacem Factory Complex, Ashaka, Gombe State.	08084360691



BRANCH NETWORK

SN	BRANCHES	STATE	ADDRESS	PHONE NUMBER
96	Dukku	Gombe	Gona Quarters, Along Gombe-Kano Road, Dukku, Gombe State.	08126559089
97	Gombe	Gombe	24, New Market Road, Gombe, Gombe State.	08023904011
98	Kumo	Gombe	Emir Palace Road Kumo, Akko, Gombe State.	08126408088
99	Yamaltu Deba	Gombe	Deba GRA, Yamaltu/Deba, Gombe State.	08022324821
100	Bank Road Owerri	Imo	4A, Bank Road, Owerri, Imo State.	08126416217
101	Mbaise	Imo	Eke-Ahiara Junction, Mbaise, Imo State.	08126412948
102	Nekede	Imo	Federal Polytechnic, Nekede, Imo State.	08126416240
103	Orlu	Imo	2, Asika Ilobi Avenue, Orlu, Imo State.	08126412927
104	Owerri	Imo	117, Wetheral Road, Owerri, Imo State.	08126412951
105	Dutse	Jigawa	Plot 10/11, Sani Abacha Way, Dutse, Jigawa State.	08085708338
106	Kazaure	Jigawa	Along Kano-Duara Rd, Kazaure, Jigawa State.	08126408225
107	Hadejia Town Branch	Jigawa	1 A, Nguru Road, Opposite NNPC Filling Station Hadejia, Jigawa State.	N/A
108	Ahmadu Bello Way	Kaduna	A2, Ahmadu Bello Way, Kaduna, Kaduna State.	08126407661
109	Ali Akilu Road	Kaduna	26D, Ali Akilu Road, Kaduna, Kaduna State.	08027637647
110	Gumi Main Market	Kaduna	1A,B2 Ibrahim Taiwo Road, Gumi Market, Kaduna, Kaduna State.	08126407693
111	Kachia Road Kaduna	Kaduna	314, Kachia Road, Kaduna, Kaduna State.	08126408461
112	Kaduna	Kaduna	16/20, Bida Road, Kaduna, Kaduna State.	08121370466
113	Kafanchan	Kaduna	19, Kagoro Road, Kafanchan, Kaduna State.	08024790556
114	NNPC Refinery Kaduna	Kaduna	KRPC/ NNPC Complex Km 16, Kachia Road, Kaduna, Kaduna State.	08126407690
115	Ungwan Rimi	Kaduna	7, Kwato Road, Ungwan Rimi GRA, Kaduna, Kaduna State.	08126408422
116	Zaria	Kaduna	16, River Road, Zaria, Kaduna State.	08026196935
117	Aminu Kano Teaching Hospital	Kano	Aminu Kano Teaching Hospital, Kano, Kano State.	08027513292
118	Bank Road, Kano	Kano	3B, Bank Road, Kano, Kano State.	08126408122
119	Bayero University	Kano	Bayero University, Bayero Main Campus, Kano, Kano State.	08126408134
120	Bello Road Kano	Kano	24, Bello Road, Kano, Kano State.	08080519622
121	Bichi	Kano	Along Katsina Road, By Bichi Junction, Kano, Kano State	08126408152
122	France Road	Kano	17/18, France Road, Kano, Kano State.	08126408274
123	Kano	Kano	12B, Post Office Road, Kano, Kano State.	08123539726
124	Katin Kwari	Kano	Ibrahim Taiwo Road, Katin Kwari, Kano State.	08126408130
125	Murtala Mohammed Way, Kano	Kano	146, Murtala Mohammed Way, Kano, Kano State.	08126408091
126	Daura	Katsina	Along Kano Road, Daura, Katsina State.	08126407789
127	Funtua	Katsina	126, Zaria Road, Funtua, Katsina State.	08126407742
128	Katsina 1	Katsina	106, IBB Way, Katsina, Katsina State.	08126407769
129	Katsina 2	Katsina	109, IBB Way, Katsina, Katsina State.	08126407787
130	Malumfashi	Katsina	11/12, Funtua Yashe Road, Malumfashi, Katsina State.	08126407800
131	Birnin Kebbi	Kebbi	1 Jos Road GRA, Birnin Kebbi, Kebbi State.	08024791649
132	Lokoja	Kogi	82, Lokoja-Kabba Road, Lokoja, Kogi State.	08126408614



BRANCH NETWORK

SN	BRANCHES	STATE	ADDRESS	PHONE NUMBER
133	Obajana	Kogi	Access Bank, Opp. Dangote Cem. Factory, Obajana, Kogi State.	08120797482
134	Okene	Kogi	46, Lagos-Abuja Road, Okene, Kogi State.	08126408826
135	Anyigba Branch	Kogi	Plot 4022, Okohi, Ankpa Road, Anyigba, Kogi State.	09072028094
136	Folawiyo Street	Kwara	24, Wahab Folawiyo Road, Ilorin, Kwara State.	08136415698
137	Ilorin	Kwara	199A, Stadium Shopping Complex, Ibrahim Taiwo Road, Ilorin, Kwara State.	08126415701
138	Reservation Road	Kwara	29A, Reservation Road GRA, Ilorin, Kwara State.	08024790849
139	Adeniran Ogunsanya	Lagos	71, Adeniran Ogunsanya Street, Surulere, Lagos State.	08126413489
140	Adeniyi Jones	Lagos	53, Adeniyi Jones, Ikeja, Lagos State.	08126414611
141	Adeola Hopewell	Lagos	Plot 1697, Adeola Hopewell, Victoria Island, Lagos State.	08126416499
142	Adeola Odeku 1	Lagos	11A, Adeola Odeku Street, Victoria Island, Lagos State.	08126416689
143	Adeola Odeku 2	Lagos	44, Adeola Odeku Street, Victoria Island, Lagos State.	08126416568
144	Adetokunbo Ademola	Lagos	30A, Adetokunbo Ademola Street, Victoria Island, Lagos State.	08126416586
145	Adeyemo Alakija	Lagos	1, Idowu Taylor Street, Commerce House, Victoria Island, Lagos State.	08126416668
146	Agege	Lagos	653, Abeokuta Express Road, Abule Taylor, Abule-Egba, Lagos State.	08127132102
147	Aguda	Lagos	5, Enitan Street, Aguda, Surulere, Lagos State.	08126413808
148	Agudosi	Lagos	4 Agudosi Street, off Ojo Road, Alaba International Market, Alaba, Lagos State.	08086845649
149	Ajao Estate	Lagos	55, Muritala Mohammed Airport Road, Ajao Estate, Isolo, Lagos State.	08126411970
150	Ajose Adeogun	Lagos	287, Ajose Adeogun Street, Victoria Island, Lagos State.	08123796959
151	Alaba Intl Mkt	Lagos	44/45 Alaba International Market Road, Alaba, Lagos State.	08126414176
152	Alagbado	Lagos	Km 32, Daniel Farm, Lagos Abeokuta Express Way, Agege, Lagos State.	08126413885
153	Alausa	Lagos	183, Obafemi Awolowo Rd, Alausa, Ikeja, Lagos State.	08126414660
154	Alfred Rewane Road	Lagos	1, Alfred Rewane Road, Ikoyi, Lagos State.	08126411594
155	Allen Avenue 1	Lagos	13, Allen Avenue, Ikeja, Lagos State.	08126414627
156	Allen Avenue 2	Lagos	92, Allen Avenue, Ikeja, Lagos State.	08126647233
157	ASPAMDA	Lagos	Zone B, R4 Mercy Caf, ASPAMDA Plaza, Trade Fair Complex, Ojo, Lagos State.	08126414346
158	Awolowo Road	Lagos	58, Awolowo Road, Ikoyi, Lagos State.	08126411489
159	Awolowo Road	Lagos	87, Awolowo Road, Ikoyi, Lagos State.	08126411670
160	Ayobo	Lagos	158, Ayobo-Ipaja Road, Ayobo, Lagos State.	08120860105
161	Bode Thomas	Lagos	42, Bode Thomas Street, Surulere, Lagos State.	08126413537
162	Broad Street	Lagos	115/117, Broad Street, Lagos Island, Lagos State.	08127132115
163	Broad Street	Lagos	32, Broad Street, Lagos Island, Lagos State.	08126411716
164	Burma Road Apapa	Lagos	4, Burma Road, Apapa, Lagos State.	08126415799



BRANCH NETWORK

SN	BRANCHES	STATE	ADDRESS	PHONE NUMBER
165	Commercial Road	Lagos	8/10, Commercial Road, Apapa, Lagos State.	08023322208
166	Creek Road	Lagos	24A, Creek Road, Apapa, Lagos State.	8027638559
167	Daleko	Lagos	Shop 822/839, Bank Road, Daleko Market, Daleko, Mushin, Lagos State.	08126411952
168	Dopemu	Lagos	92, Lagos/Abeokuta Expressway, Dopemu, Lagos State.	08126413917
169	Egbeda	Lagos	35, Akowonjo Road, Egbeda, Lagos State.	08126413925
170	Ejigbo	Lagos	Along Ejigbo/Ikotun Road, Opp NNPC Junction, Ejigbo, Lagos State.	08126413930
171	Festac	Lagos	4th Avenue, Festac, Lagos State	08126414306
172	Festac 2 Branch	Lagos	Plot 650A, 32 Road 3rd Avenue, Festac , Lagos State.	08086405911
173	Gbagada	Lagos	Plot 286, Oshodi Apapa Expressway, Gbagada Phase I, Lagos State.	08085797558
174	Iddo	Lagos	Iddo Shopping Complex, Iddo, Lagos State.	08084198704
175	Idejo Street	Lagos	Plot 161E, Idejo Street, off Adeola Odeku, Victoria Island, Lagos State.	08126416604
176	Idi-Araba	Lagos	College of Medicine, Ishaga Road, Idi-Araba, Lagos State.	08126413819
177	Idimu	Lagos	71, Egbeda/Idimu Road, Idimu, Lagos State.	08128846719
178	Idumota	Lagos	122, Nnamdi Azikwe Street, Idumota, Lagos State.	08028723278
179	Ifako-Gbagada	Lagos	6, Diya Street, Ifako-Gbagada, Lagos State.	08027377669
180	Ijeshatedo	Lagos	206, Ijsha Road, Ijeshatedo, Surulere, Lagos State.	08126413613
181	Iju	Lagos	134, Water Works Road, Iju-Ishaga, Lagos State.	08126413981
182	Ikorodu 1	Lagos	7, Ayangburen Road, Ikorodu, Lagos State.	08126412001
183	Ikorodu 2	Lagos	68, Lagos Road , Ikorodu, Lagos State.	08126412153
184	Jibowu	Lagos	38/40, Ikorodu Road, Jibowu, Lagos State.	08126411382
185	Ikota	Lagos	Suite E 79-81 and 116-118, VGC, Ikota Shopping Complex, Ikota, Lagos State.	08080366572
186	Ikotun	Lagos	4, Ikotun Junction, Ikotun, Lagos State.	08126413937
187	Ilupeju 2	Lagos	25A, Ilupeju Bye-Pass, Ilupeju, Lagos State.	08126411909
188	Ilupeju 1	Lagos	11, Town Planning Way, Ilupeju, Lagos State.	08126411316
189	Ipaja	Lagos	171, Abeokuta Expressway, Iyana Ipaja, Lagos State.	08123298906
190	Ire Akari	Lagos	1, Godwin Omonua Street, Ire Akari Estate, Isolo, Lagos State.	08126411893
191	Isolo	Lagos	113, Okota Road, Okota, Isolo, Lagos State.	08126411995
192	Issa Williams	Lagos	27/29, Issa Williams Street, Lagos Island, Lagos State.	08122882057
193	Ketu	Lagos	533, Ikorodu Road, Ketu, Lagos State.	08127132093
194	Kosoko Street	Lagos	52/54, Kosoko Street, Lagos Island, Lagos State.	08126411807
195	LASU	Lagos	Km 20, Lagos Badagry Express Way, Ojo, Lagos State.	08126414084
196	Lawanson	Lagos	87, Itire / Lawanson Road, Surulere, Lagos State.	08126413838
197	Lekki	Lagos	Plt 7, Blk 2, Oniru Private Estate, Lekki, Lagos State.	08126416748
198	Lekki Chevron	Lagos	Km 17, Lekki Epe Exp.way, Chevron Round About, Lekki, Lagos State.	08126416285
199	Ligali Ayorinde	Lagos	Plot 15, Ligali Ayorinde, Victoria Island, Lagos State.	08126416654



BRANCH NETWORK

SN	BRANCHES	STATE	ADDRESS	PHONE NUMBER
200	Marina BOI	Lagos	23, Bank of Industry Buliding, Broad Street, Marina, Lagos State.	08126411528
201	Marina	Lagos	48, Marina Street, Lagos Island, Lagos State.	07011775632
202	Maryland	Lagos	6, Mobolaji Bank-Anthony Way, Ikeja, Lagos State.	08126412364
203	Matori	Lagos	125, Ladipo Street, Matori, Lagos State.	08126411340
204	Maza Maza	Lagos	17, Sikiru Otunba Str, Old Ojo Road, Badagry Expressway, Mazamaza, Lagos State.	08126414307
205	Moloney	Lagos	34, Moloney Street, Lagos Island, Lagos State.	08121859652
206	Muri Okunola	Lagos	211, Muri Okunola Street Victoria Island, Lagos State.	08126416712
207	Muritalla Mohamed Way	Lagos	68/70, Muritala Mohammed Way, Oyingbo, Ebute-Metta, Lagos State.	08126415942
208	Mushin	Lagos	279, Agege Motor Road, Mushin, Lagos State.	08126411362
209	Nahco	Lagos	Nahco Complex 1, Murtala Mohammed International Airport Road, Ikeja, Lagos State.	08020708291
210	Nnamdi Azikwe Idumota	Lagos	68, Nnamdi Azikwe Road Street, Idumota ,Lagos State.	08122097188
211	Oba Akran	Lagos	23-25, Oba Akran Avenue, Off Awolowo Way, Ikeja, Lagos State.	08126414685
212	Obafemi Awolowo Way	Lagos	77, Obafemi Awolowo Way (MAN House), Ikeja, Lagos State.	08126414725
213	Odogunyan	Lagos	Opposite 2nd Gate, Lagos Polytechnic, Odogunyan, Ikorodu, Lagos State.	08126412163
214	Ogba	Lagos	40A/40B, Ogba Ijaiye Road, Ogba, Lagos State.	08087193698
215	Ogunlana Drive	Lagos	150, Ogunlana Drive, Surulere, Lagos State.	08126413385
216	Ojodu Berger	Lagos	Plot 101, Isheri Road, Berger, Lagos State.	08126412295
217	Ojota	Lagos	1A, Ogudu Road, Ojota, Lagos State.	08126412228
218	Ojuelegba	Lagos	78, Ojuelegba Road, Tejuosho, Yaba, Lagos State.	08126413630
219	Old Alaba Motor Park	Lagos	Old Alaba Motor Park, off Ojo Igbede, Ojo, Lagos State.	08126414078
220	Old Ojo	Lagos	153, Old Ojo Road, Kuje-Amuwo, Agboju, Lagos State.	08126415877
221	Ibafon	Lagos	Plot 24, Opposite Ibru Jetty, Olodi Apapa, Lagos State.	08028456418
222	Onikan	Lagos	30, King George V Road, Onikan, Lagos Island, Lagos State.	08126411538
223	Opebi	Lagos	23, Opebi Road, Ikeja, Lagos State.	08126414753
224	Oregun	Lagos	51, Kudirat Abiola Way, Oregun Road, Ikeja, Lagos State.	07011311266
225	Orile Coker	Lagos	3, Alhaji Owokoniran Street, Orile Coker, Lagos State.	08123635993
226	Oshodi	Lagos	Mosafejo Market, Oshodi, Lagos State.	08126411882
227	Palm Avenue	Lagos	56, Palm Avenue, Mushin, Lagos State.	08126411323
228	Point Road	Lagos	1, Point Road, Apapa, Lagos State.	08120797474
229	Sabo	Lagos	290, Herbert Macaulay Way, Sabo, Yaba, Lagos State.	08126413771
230	Saka Tinubu	Lagos	44A, Saka Tinubu Street, off Adeola Odeku Street, Victoria Island, Lagos State.	08126416417
231	Satellite Town	Lagos	438, Old Ojo Road, Abule - Ado, Satellite Town, Lagos State.	08126414317



BRANCH NETWORK

SN	BRANCHES	STATE	ADDRESS	PHONE NUMBER
232	Simbiat Abiola	Lagos	20, Simbiat Abiola Road, Ikeja, Lagos State.	08126414698
233	Somolu	Lagos	47, Market/Odunlami Street, Somolu, Lagos State.	07081792126
234	St. Finbarrs	Lagos	67, St. Finbarrs Road, Akoka, Yaba, Lagos State.	08126413859
235	Tejuosho	Lagos	31, Tejuosho Street, Yaba, Lagos State.	08126413872
236	Toyin Street	Lagos	54, Toyin Street, Ikeja, Lagos State.	08126414813
237	Trade Fair	Lagos	45, Atiku Abubakar Hall, BBA Trade Fair Complex, off Badagry Express, Lagos State.	08126414326
238	University of Lagos	Lagos	Univeristy of Lagos, Akoka, Yaba, Lagos State.	08126413453
239	Oyin Jolayemi	Lagos	Plot 1665, Oyin Jolayemi Street, Victoria Island, Lagos State.	08126416479
240	Wharf Road	Lagos	13-15, Wharf Road, Apapa, Lagos State.	08120797398
241	Tincan	Lagos	1, Tincan Lighter Terminal, Kirikiri, Lagos State.	08122549686
242	Adeniji Adele	Lagos	Oba Adeniji Adele Plaza, Adeniji Adele, Lagos State.	08126411544
243	Keffi Street	Lagos	13, Keffi Street, off Awolowo Rd, Ikoyi, Lagos State.	08086769321
244	Epe	Lagos	Itamarun Beside Epe Fire Service Station	09024440389
245	Admiralty Lekki	Lagos	10, Admiralty Way, Lekki Phase 1, Lagos State.	08024573194
246	Articles Dealer Market	Lagos	Ojo, Alaba, Lagos State.	
247	ASPAMDA 2 Branch	Lagos	Zone D, Opposite Aspamda Clinic, Aspamda, International Trade Fair Complex, off Old Ojo, Lagos State.	N/A
248	Lafia	Nasarawa	32, Jos Street, Lafia, Nasarawa State.	08083102390
249	Mararaba	Nasarawa	Plot 3316, Abuja Keffi Expressway, Mararaba, Nasarawa State.	08127132120
250	Keffi Town Branch	Nasarawa	5, Abdul Zanga Way, Keffi Town, Nasarawa State.	N/A
251	Bida	Niger	Along BCC Road, Bida, Niger State.	08082025249
252	Minna 1	Niger	1, David Mark Road, Tunga Round About, Minna, Niger State.	08080366620
253	Minna 2	Niger	2, Old Airway Road, off Boso Road, Minna, Niger State.	08180277868
254	Suleja	Niger	19, Suleiman Barau Road, Suleja, Niger State.	08128869064
255	Suleja Depot Cash Centre	Niger	NNPC Depot, Suleja, Niger State.	07084707923
256	Akute	Ogun	87 Akute-Ajuwon Road, Akute, Ogun State.	09077558386
257	Agbara	Ogun	Plot 2CA/4 Ilaro Road, Agbara Industrial Estate, Agbara, Ogun State.	08126414207
258	Covenant	Ogun	Km 12, Idiroko Express Way, Otta, Ogun State.	08029378397
259	Fajuyi Road	Ogun	1-5, Fajuyi Road, Sapon Area, Abeokuta, Ogun State.	08126412746
260	Ijebu-Ode	Ogun	19, Ibadan Road, Ijebu-Ode, Ogun State.	08024789175
261	Ilaro	Ogun	Plot 1, Ona Ola Quarters, Ilaro, Ogun State.	08024788919
262	Oke Ilewo	Ogun	1, Lalubu Street, Oke Ilewo, Ibara, Abeokuta, Ogun State.	08126412753
263	Otta	Ogun	145, Lagos-Abeokuta Express Way, Sango-Otta, Ogun State.	08024788993
264	RCCG Camp	Ogun	Redemption Camp, Km 46/85, Lagos/Ibadan Express Way, Mowe, Ogun State.	08126412756



BRANCH NETWORK

SN	BRANCHES	STATE	ADDRESS	PHONE NUMBER
265	Sagamu	Ogun	71, Akarigbo Rd . Sagamu, Ogun State.	08126412784
266	OOU Branch	Ogun	Olabisi Onabanjo University, Ogun State.	07011037883
267	Ibafo	Ogun	Lagos Ibadan Express Way, Mowe Ibafo, Ibafo, Ogun State.	
268	Adekunle Ajasin University	Ondo	Adekunle Ajasin University, Akungba Akoko, Ondo State.	07017872068
269	Ado Owo Road	Ondo	11, Ado Owo Road, Akure, Ondo State.	08126412842
270	Akure	Ondo	126, Oba Adesida Road, Akure, Ondo State.	08126412801
271	Ondo	Ondo	7, Yaba Road, Ondo, Ondo State.	07018405057
272	Ile Ife	Osun	5, Lagere, Ile Ife, Osun State	07082092120
273	Ilesha	Osun	107A, Orinkiran Street, Oshogbo Road, Ilesha, Osun State.	08126414602
274	OAU Ile Ife	Osun	Obafemi Awolowo University Campus, Ile-Ife, Osun State.	08126412887
275	Oshogbo	Osun	Plot 10, GRA-Station Road, Behind Post Office, Oshogbo, Osun State.	08126414609
276	Bodija 1	Oyo	Plot 32, UI Road, Bodija, Ibadan, Oyo State.	08126412366
277	Bodija 2	Oyo	Plot 6, University Crescent, UI Sec Road, Ibadan, Oyo State.	08024791050
278	Challenge	Oyo	Challenge Roundabout, Ibadan, Oyo State.	08081764237
279	Dugbe Market	Oyo	1, Jimoh Odutola Street, Dugbe Market, Ibadan, Oyo State.	07018511540
280	Ekotedo	Oyo	50, Adekunle Fajuyi Road, Eko Tedo Iya-Olobe, Ibadan, Oyo State.	08126412484
281	Iwo Road 1	Oyo	4, Iwo Road, Ibadan, Oyo State.	08126412411
282	Iwo Road 2	Oyo	37, Iwo Road, Ibadan, Oyo State.	08126412628
283	New Court Road	Oyo	34, New Court Road, Dugbe, Ibadan, Oyo State.	08089706148
284	Ogbomoso	Oyo	Oke-Apake Area, Ogbomoso, Oyo State.	08126412899
285	Ojo	Oyo	Km 4, Old Ibadan/Oyo Road, Sabo-Ojoo, Ibadan, Oyo State.	08126412527
286	Oyo	Oyo	Ilorin / Ogbomosho Expressway, Oyo, Oyo State.	08126412600
287	Ring Road	Oyo	Ring Road, Ibadan, Oyo State.	08126412612
288	UCH	Oyo	Beside Blood Bank UCH, Ibadan, Oyo State.	08082834620
289	Bukuru	Plateau	1, Market Road, Bukuru, Plateau State.	08123666633
290	Jos 1	Plateau	37, Beach Road, Jos, Plateau State.	8126408600
291	Jos 2	Plateau	1, Murtala Mohammed Way, Jos, Plateau State.	07087862982
292	Azikiwe Road	Rivers	5, Azikiwe Road, Port Harcourt, Rivers State.	07010294048
293	Bonny Cash Centre	Rivers	64, Hospital Road, Bonny, Rivers State.	08126415650
294	Eastern Bulkcement	Rivers	By Eastern Bulkcement Coy Ltd, Wofe Road, Port Harcourt, Rivers State.	08126414450
295	Eleme	Rivers	PPMC Depot, Port Harcourt, Rivers State.	08126415255
296	Garrison	Rivers	82/88, Aba Road, Port-Harcourt, Rivers State.	08026414499
297	Ikokwu	Rivers	31A, Amaigbo Road, Ikokwu Diobu, Port Harcourt, Rivers State.	08126415369
298	Obigbo	Rivers	14, Location Road, Obigbo, Rivers State.	08126414359
299	Olu Obasanjo 1	Rivers	329A, Olu Obasanjo Road, Port-Harcourt, Rivers State.	07013689904
300	Olu Obasanjo 2	Rivers	Plot 105, Olu Obasanjo Road, Port Harcourt.	08126414525
301	RSUST	Rivers	River State University Science And Technology, Port Harcourt, Rivers State.	08126414491



BRANCH NETWORK

SN	BRANCHES	STATE	ADDRESS	PHONE NUMBER
302	Rumukurishi	Rivers	Plot 382, Port Harcourt- Aba Expressway, Port Harcourt, Rivers State.	08126415269
303	Rumuokoro	Rivers	679, Ikwerre Road, Rumuokoro, Port Harcourt, Rivers State.	08126414995
304	Trans Amadi	Rivers	42B, Trans Amadi Industrial Layout, Trans Amadi, Port Harcourt, Rivers State.	08126414960
305	UNIPORT	Rivers	University of Port-Harcourt , Port-Harcourt, Rivers State.	08126414575
306	Woji	Rivers	Woji Estate Road, by YKC Junction, Woji, Port Harcourt, Rivers State.	08126414405
307	Agip Road	Rivers	1, Agip Road, Beside Kilimanjaro, Mile 4, Rumueme, Port Harcourt, Rivers State.	07088423690
308	Bank Road	Rivers	10A, Bank Road, Port Harcourt, Rivers State.	08083679575
309	Sokoto 1	Sokoto	27, Kano Road, Sokoto, Sokoto State.	08129360314
310	Sokoto 2	Sokoto	45, Maiduguri Road, Sokoto, Sokoto State.	08122252113
311	Usman Danfodio University	Sokoto	Usman Danfodio University, Main Campus, Sokoto State .	08029438733
312	Jalingo	Taraba	57B, Hammaruwa Way, Jalingo, Taraba State.	08121041875
313	Damaturu	Yobe	Opposite August 27 Stadium, Maiduguri Road, Damaturu, Yobe State.	08130727379
314	Gusau	Zamfara	43, Canteen Road, Gusau, Zamfara State.	08024791625
315	Talata Mafara	Zamfara	Sokoto Road, Talata Mafara, Zamfara State.	08127129024



OFF SITE ATM LOCATIONS

S/N	LOCATION	STATE	ADDRESS
1	Abia State Polytechnic	Abia	Abia State Polytechnic, Aba-Owerri Road
2	CBN, Umuahia	Abia	CBN, Opposite. Abia State Sec., Aguiyi Ironsi Layout, Umuahia
3	Crunchies Eatery	Abia	Crunchies Eatery, 6 Factory Road, Along Aba-Owerri Road
4	Crunchies Eatery	Akwa-Ibom	140, Aka Road, Uyo
5	Oliver Twist	Akwa-Ibom	22, Brooks Street, Oliver Twist Eatery, Uyo
6	New Tyre Market, Nkpor	Anambra	New Tyre Market Nkpor
7	Anambra State University	Anambra	Anambra State University, Uli
8	Nnamdi Azikiwe University	Anambra	Nnamdi Azikiwe University, Awka
	Military Cantonment Onitsha	Anambra	Military Cantonment, Onitsha
9	Nnamdi Azikiwe University Teaching Hospital	Anambra	Nnamdi Azikiwe University Teaching Hospital, Awka
10	Federal Polytechnic Oko	Anambra	Oko Polytechnic Ekwulobia
11	Army Barracks Onitsha	Anambra	Onitsha Barracks, Onitsha
12	Shadawanka Barracks Bauchi	Bauchi	Shadawanka Barracks, Jos Road
13	CBN, Bauchi	Bauchi	Bauchi CBN Offsite, Muritala Mohammed
14	CBN, Yenagoa	Bayelsa	CBN Premises, Osiri Road, Yenagoa
15	New Secretariat, Yenagoa	Bayelsa	New Secretariat Close, Gov. House, Mbiama, Yenagoa Road
16	Sports Council, Yenagoa	Bayelsa	Obon, Beside FMC, Yenagoa
17	Nigerian Airforce Base, Yenagoa	Bayelsa	Army NAF Base Quarters, Yenagoa
18	Benue State University	Benue	Benue State University, Markudi
19	Modern Market, Makurdi	Benue	Modern Market Makurdi
20	University of Agriculture, Makurdi	Benue	University of Agriculture, Makurdi
21	University of Maiduguri	Borno	University of Maiduguri, Computer Centre Area
22	Etta Agbor	Cross River	10, Calabar Road, UNICAL Small Gate, Okoi Arikpo, Calabar
23	United Cement Co. Ltd. Factory	Cross River	United Cement Co. Ltd. Factory, Mfamosing, Calabar
24	University of Calabar Teaching Hospital	Cross River	University of Calabar Teaching Hospital, Satellite Town, Calabar
25	Tatafish, Eatery Calabar	Cross River	Tatafish Eatery, Calabar
26	CBN, Asaba	Delta	CBN, Mariam Baba Gida Way, Asaba
27	Western Delta University	Delta	Western Delta University, Oghara
28	Best Western Hotel, Asaba	Delta	Best Western Hotel, Asaba
29	Abbey Mortgage Bank, Nnebisi Road Asaba	Delta	Abbey Mortgage Bank, Nnebisi Road Asaba
30	Ambrose Alli University	Edo	Ambrose Alli University Admin, Ekpoma
31	University of Benin, Ekenwa Campus	Edo	Ekenwa Campus, UNIBEN Ekenwa Road, Benin City
32	Ekosodin, UNIBEN	Edo	Ekosodin, UNIBEN, Benin City
33	Federal Polytechnic, Auchi	Edo	Federal Polytechnic, Auchi
34	Hall 1 Hostel, UNIBEN	Edo	Hall 1 Hostel, UNIBEN, Benin City
35	Motel Benin Plaza	Edo	Motel Benin Plaza, GRA, Benin City
36	Oando Filling Station, Iyaro	Edo	Oando Filling Station, Iyaro, Benin City
37	Okada Hostel Gate, Okada	Edo	Okada Hostel Gate, Okada, Benin City
	Prosperity Microfinance Bank	Edo	Prosperity Microfinance Bank, Siluko Road, Benin City
38	Presco Mill Plc	Edo	Presco Mill Plc, Obaretin
39	Trust Fund Microfinance Bank	Edo	Trust Fund Microfinance Bank, Adesuwa GRA, Benin City
40	UNIBEN Gate	Edo	UNIBEN Gate, UNIBEN, Benin City
41	Western Union Dedicated Centre	Edo	Western Union Dedicated Centre, Sakponba



ATM LOCATIONS

S/N	LOCATION	STATE	ADDRESS
42	Sapele ATM Gallery	Edo	Sapele Road Offsite Gallery 164 Sapele Road, Opposite NPDC , Sapele Road Benin - City
43	Afe Babalola University	Ekiti	ABUAD (Afe Babalola University), Access ATM Kiosk, Ado Ekiti
44	Ekiti State University	Ekiti	EKSU (Ekiti State University) Cash Center, Ado Ekiti
45	College of Education, Ikere	Ekiti	Ikere Ekiti Cash Center, College of Education, Ikere Ekiti
46	Ipoti Ekiti Cash Center	Ekiti	Ipoti Ekiti Cash Center
47	Bishops Court	Enugu	Bishops Court, Andrew Anglican Church, Trans Ekulu, Enugu
48	Nigeria Law School	Enugu	Nigeria Law School, Agbani Village, Nkanu West LGA
49	University of Nigeria, Enugu Campus	Enugu	University of Nigeria, Enugu Campus
50	University of Nigeria, Nsukka	Enugu	University of Nigeria, Nsukka
51	University of Nigeria Teaching Hospital	Enugu	University of Nigeria Teaching Hospital, Ituko, Ozala
52	University of Abuja Teaching Hospital	Abuja	University of Abuja Teaching Hospital, Gwagwalada, Abuja
53	Nera Hotel, Abuja	Abuja	Nera Hotel, Abuja
54	African Development Bank	Abuja	African Development Bank -1521, Cadastral Zone, Beside Central Business District
55	Jabi Lake Mall	Abuja	Jabi Lake Mall, Jabi
56	E Barclays Microfinance Bank Abuja	Abuja	E Barclays Microfinance Bank Abuja
57	Navy Estate Karshi Abuja	Abuja	Navy Estate Karshi Abuja
58	Remaco Filling Station Abuja	Abuja	Remaco Filling Station Abuja
59	Sunnyvale Estate Abuja	Abuja	Sunnyvale Estate Abuja
60	636, NDC, Mararaba 2	Abuja	Mararaba Branch, Plot 3316, Abuja Kef, Mararaba Nasarawa State
61	Gwarinpa	Abuja	5th Avenue, Access Bank Guest House, Chenbian Plaza, Gwarinpa
62	NIMC	Abuja	Access Bank NIMC, Shokode Street, Wuse Zone 5, Abuja
63	NCC Complex	Abuja	Aguiyi Ironsi Street, NCC Complex, Maitama
64	Agip Abuja	Abuja	MTN Head Office, Muritala Mohammed Way Abuja
65	CBN Abuja	Abuja	CBN, Garki Area 11, Opposite FCT Police Command, Abuja
66	Dunes Center	Abuja	Dunes Center Maitama, Abuja
67	Ebron Plaza	Abuja	Ebron Plaza, Gudu Area, Abuja
68	Federal Capital Dev. Authority	Abuja	Federal Capital Development Authority (FCDA), Area 11, Abuja
69	IBB Golf Club	Abuja	IBB Golf Club, Aso Drive, Abuja
70	Ibeto Hotel, Gudu	Abuja	Ibeto Hotel, Gudu District, Abuja
71	Ignobis Hotel, Kubua	Abuja	Ignobis Hotel, Kubua, Abuja
72	Nnamdi Azikiwe Int'l Airport	Abuja	Nnamdi Azikiwe Int'l Airport, Abuja
73	Sada Cruz Hotel	Abuja	Since 1 Extention, Jikwoyi Sada Cruz Hotel, Abuja
74	Tarei Pharmacy Ltd	Abuja	Tarei Pharmacy Ltd, First Gate Police Station Road, Dutse, Abuja
75	Universal Basic Edu. Commision	Abuja	Universal Basic Education Commision, Wuse, Zone 4, Abuja
76	University of Abuja	Abuja	University of Abuja
77	Gombe State University	Gombe	Gombe State Unversity, Gombe
78	Eaman Restaurant	Gombe	Eaman Restaurant, Shongo Estate, Gombe
79	Federal College of Education	Gombe	Federal College of Education, Gombe



ATM LOCATIONS

S/N	LOCATION	STATE	ADDRESS
80	Ostrich Bakery	Gombe	Ostrich Bakery, Jekadafari, Gombe
	MTN Office Buba Shongo, Gombe.	Gombe	MTN Office, Buba Shongo, Gombe
82	Federal University of Technology, Owerri,	Imo	Federal University of Technology, Owerri, off Owerri-Port Harcourt Road, Obinze, Owerri
83	Imo State University, Owerri	Imo	Imo State University, Owerri, Along Samek Road, Owerri
84	Destiny Foods, IMSU	Imo	IMSU Roundabout, By Works Layout, Owerri
85	Ahiara Microfinance Bank, Owerri	Imo	Ahiara Microfinance Bank, Owerri
86	Viviana Garden	Kaduna	33/37, Mayere Street, Barnawa Highcost, Kaduna
87	Federal Colledge of Education, Zaria	Kaduna	Federal Colledge of Education, Shango, Zaria, Kaduna
88	Kaduna State University	Kaduna	Kaduna State University, Angwa Rimi
89	NAF Club, Kaduna	Kaduna	NAF Club, Wharf Road, Kaduna
90	National Institute of Transport and Technology	Kaduna	National Institute of Transport and Technology, Basawa, Zaria
91	Army Depot Kaduna	Kaduna	Nigerian Army Depot, Zaria
92	Kaduna Airport	Kaduna	Kaduna Airport
93	Kaduna ATM Gallery	Kaduna	Kaduna Gallery - 64 Kachia Road, Sabon-Casha, Kaduna
94	Bayero University New Campus	Kano	Bayero University, New Site Bus Stop
95	Abdul Wase General Hospital	Kano	Hospital Road, Nassarawa GRA, Kano.
96	Nimma Palace	Kano	Suleiman Crescent, Nassarawa GRA, Kano.
97	Ahmadu Bello University Teaching Hospital	Kaduna	ABU Teaching Hospital Shika, Zaria
98	Ahmadu Bello University ICT Building	Kaduna	Ahmadu Bello University ICT Building, Samaru, Zaria
99	Ahmadu Bello University Pharmacy Building	Kaduna	Ahmadu Bello University Pharmacy Building, Samaru, Zaria
100	Ahmadu Bello University Senate Building	Kaduna	Ahmadu Bello University Senate Building, Samaru, Zaria
101	Nigeria Airforce Base	Kano	Nigeria Airforce Base, Kano
102	Northern Nigeria Flour Mill	Kano	Northern Nigeria Flour Mill, Milari, off Independent Road Kano
103	Oando Filling Station, Kano	Kano	Oando Filling Station Kano, Oando Club Road, Kano
104	Kofar Ruwa Cash Centre, Kano	Kano	Kofar Ruwa Cash Centre, Kano
105	Central Bank, Katsina	Katsina	CBN Katsina, Katsina.
106	Kogi State Polytechnic	Kogi	Kogi State Polytechnic Lokoja
107	Ladoke Akintola University Teaching Hospital	Kogi	Ladoke Akintola University Teaching Hospital, Ogbomoso
108	Kogi LGA	Kogi	Kogi LGA, Kofo, Kogi
109	Ajaokuta LGA, Kogi	Kogi	Ajaokuta LGA, Kogi
110	Idah LGA Kogi	Kogi	Idah LGA, Kogi
111	University of Ilorin Campus, Ilorin	Kwara	University of Ilorin Campus, Ilorin
112	Oando Filling Station, Surulere Ilorin, Kwara State	Kwara	Oando Filling Station, Surulere, Ilorin
113	Abbey Building Society	Lagos	Abbey Building Society, Okota
114	Abbey Warehouse	Lagos	Abbey Warehouse, Opposite Mobil Filling Station, Apapa
115	Adeyemo Alakija	Lagos	Access Bank Contact Centre Building, Adeyomo Alakija Street, Victoria Island
116	Idejo	Lagos	Acess Bank Data Centre, Idejo Street, Victoria Island
117	Addax Petroleum Complex	Lagos	Addax Petroleum Complex, Opp Mobil Lekki Expressway
118	Avalon House	Lagos	Admiralty Way, by Road 12, Lekki Phase 1
119	AG Homes	Lagos	AG Homes, Opebi, Ikeja
120	Ann Barracks	Lagos	Ann Barracks, off Queens College, Sabo, Yaba
121	Army Barracks	Lagos	Army Barracks, Children Avenue, Apapa



ATM LOCATIONS

S/N	LOCATION	STATE	ADDRESS
122	Aso Rock Hotel	Lagos	Aso Rock Hotel, Abaranje Road, off Ijegun Road, Ikotun
123	Bonny Cantoment	Lagos	Bonny Cantoment, Opposite NOUN, Victoria Island
124	Bookshop House CMS	Lagos	Bookshop House CMS, Lagos Island
125	Ligali Ayorinde	Lagos	CDMS Building, Ligali Ayorinde
126	Centre For Management Dev.	Lagos	Centre for Management Development, Magodo
127	Lagos State University Teaching Hospital	Lagos	College of Medicine, Lagos State Uni. Teaching Hospital, Ikeja
128	Country Club	Lagos	Country Club, Maryland, Lagos
129	Dana Plastic Company	Lagos	Dana Plastic Company, Ilasamaja, Surulere
130	Dangote Adstar Factory	Lagos	Dangote Adstar Factory, off Adeniyi Jones, Ikeja
131	Dangote Agrosacks Factory	Lagos	Dangote Agrosacks Factory, Oba Akran
132	Dangote Refinery Company Wharf	Lagos	Dangote Refinery Company, Inside Nigerian Ports Authority, Apapa
133	Eric Moore	Lagos	Eric Moore, Surulere, Lagos
134	Etaport Secondary School	Lagos	Etaport Secondary School, Soluyi, Gbagada
135	Estate Plaza, Magodo Phase 2	Lagos	Estate Plaza, Magodo Phase 2 Estate
136	Etisalat Office, Oshodi	Lagos	Etisalat Office, Oshodi-Apapa Exp., Beside Lastma Office Oshodi
137	General Hospital, Epe	Lagos	General Hospital, Epe
138	Golden Tree Hotel	Lagos	Golden Tree Hotel, Satellite Town
139	Huawei Tech, Oriental Hotel, Lekki	Lagos	Huawei Technology, Oriental Hotel, Lekki
140	Ikeja Local Government Premises	Lagos	Ikeja Local Government Premises, Ikeja
141	Immigration Office, Ikoyi	Lagos	Immigration Office, Ikoyi
142	Jonak Petroleum	Lagos	Jonak Petroleum, Giwa Bus Stop, Oke Aro
143	Atlantic Shrimpers, Kirikiri Prison Bus Stop	Lagos	Kirikiri, Prison Bus Stop, Tincan Island, Apapa
144	Major Engineering Factory	Lagos	Major Engineering Factory, Odonguyan
145	Marda Barracks Yaba	Lagos	Marda Barracks, Hebert Maucaulay Way, Sabo, Yaba
146	Martgab Supermarket	Lagos	Martgab Supermarket, Lekki Phase 1
147	Romarong Mile 2 - Oshodi Express Way	Lagos	Mile 2 - Oshodi Express Way, Adjacent Kia Motors, Mile 2
150	MRS Filling Station, Ifako	Lagos	MRS Filling Station, Ifako-Gbagada, Opposite Jolad Hospital
152	NEWCO Factory	Lagos	NEWCO Factory, Niwil Close, Off Oba Akran Road
153	Aluko & Oyeboode	Lagos	1, Muritala Muhamed Way, Ikoyi
154	Oando Filling Station Iwaya	Lagos	Oando Filling Station Iwaya
155	Oba of Lagos Comp., Adeniji Adele	Lagos	Oba of Lagos Compound, Adeniji Adele, Lagos Island
156	National Orthopaedic Hospital, Igbobi	Lagos	National Orthopaedic Hospital, Igbobi, Ikorodu Road, Jibowu
157	Shoppes Mall Oniru	Lagos	Plot 7, Block 2, New Market Road, Oniru
158	Gori Center, Danmole Street	Lagos	Plot 999, Danmole Street, Access Bank Head Office Annex V/I
160	RCCG Headquarters, Oyingbo	Lagos	RCCG Headquarters, off Willoughby Street, Oyingbo
161	SOVS Shopping Complex	Lagos	SOVS Shopping Complex, Badore, Lekki
162	Super Saver Supermarket	Lagos	Super Saver Super Market, Ikosi, Ketu
163	Support Staff Training School	Lagos	Support Staff Training School, Alagomeji, Yaba
164	Sweet Sensation, Egbeda	Lagos	Sweet Sensation, Egbeda
165	Sweet Sensation, Magodo	Lagos	Sweet Sensation, Magodo
166	Tantalizers Eatery, Alapere	Lagos	Tantalizers Eatery, Alapere, Ketu
167	Tantalizers Eatery, Onipanu	Lagos	Tantalizers Eatery, Onipanu



ATM LOCATIONS

S/N	LOCATION	STATE	ADDRESS
168	UNICO Factory	Lagos	UNICO Factory, off Oba Akran Road, Behind Mouka Foam Industries
169	Vita Construction	Lagos	Vita Construction, off Eric Moore, Indomie Noodles Company, Surulere
170	Yaba College of Technology	Lagos	Yaba College of Technology
171	Abbey Mortgage, LASU	Lagos	Abbey Mortgage Bank, Iba Road, LASU
172	Ado Road	Lagos	Ado Road, Langbasa, Ajah
173	Grimaldi Apapa	Lagos	Grimaldi PTML Terminal, Tincan Island, Apapa
174	Parkview Estate	Lagos	Parkview Estate, Ikoyi
175	OVH Energy	Lagos	OVH Energy, 8, Kayode Street, Apapa
176	Oando Filling Station, Orile-Coker Lagos	Lagos	Oando Filling Station, Orile-Coker
177	Total E & P	Lagos	Total E & P, Adetokunbo Ademola Street, Victoria Island
178	Sweet Sensation, Isaac John Street, Ikeja	Lagos	Sweet Sensation, Isaac John Street, Ikeja
180	Guinness Factory	Lagos	Guinness Factory Ogba
181	Abraham Adesanya Estate, Ajah	Lagos	Abraham Adesanya Estate, Ajah
182	Parkview Estate	Lagos	Parkview Estate, Ikoyi
183	Shomolu ATM Gallery	Lagos	Shomolu Gallery - Shomolu LGA
184	Ago Palace ATM Gallery	Lagos	Ago Palace Way Gallery - Marcity Plaza, Ago Palace Way, Isolo
185	Igando ATM Gallery	Lagos	Igando Gallery - Best Option Filling Station, Isheri Road, Igando
186	Awoyaya ATM Gallery	Lagos	Awoyaya Gallery - Rainoil Filling Station, Awoyaya, Along Lekki -Epe Expressway
187	Petrocam Filling Station	Lagos	Petrocam Filling Station, Sangotedo, Ajah
188	Odogunyan ATM Gallery	Lagos	Odogunyan Gallery - Destiny Castle Hotel Odogunyan, Ikorodu
189	Ayobo ATM Gallery	Lagos	Ayobo Gallery
190	Agege ATM Gallery	Lagos	Agege Gallery Axiom Plaza, Old Abeokuta Road, Oko Oba, Agege
191	Glorious Event Centre Command Road Ayobo	Lagos	Glorious Event Centre Command Road, Ayobo
192	Ejigbo ATM Gallery	Lagos	Ejigbo Offsite Gallery, Along Ejigbo/Ikotun Opposite NNPC Junction, Ejigbo
193	Teslim Balogun Stadium, Surulere	Lagos	Teslim Balogun Stadium, Surulere
194	Nymph Hotel, Festac	Lagos	Nymph Hotel, Festac
195	Sopia and Linda Manufacturing Company	Lagos	Sopia and Linda Manufacturing Company, Iju
196	Goodmorning Petroleum, Ipaja	Lagos	Goodmorning Petroleum, Ipaja
197	Yaba Mini Complex - Lagos State Sport Complex Rowe Park, Yaba Lagos	Lagos	Yaba Mini Complex - Lagos State Sport Complex, Rowe Park Yaba
198	Oshodi Cash Centre, Bolade Oshodi	Lagos	Oshodi Cash Centre Bolade, Oshodi
199	TD-iLife (Zinox Group) Gbagada	Lagos	TD-iLife (Zinox Group) Gbagada
200	Federal Medical Center	Niger	Federal Medical Center, Bida, Niger State
201	Federal Polytechnic	Niger	Federal Polytechnic, Bida, Administrative Block
202	Federal University of Technology, Bosso Campus	Niger	Federal University of Technology, Bosso Campus, Minna



ATM LOCATIONS

S/N	LOCATION	STATE	ADDRESS
203	Federal University of Technology, Minna Main Campus.	Niger	Federal University of Technology, Minna Main Campus, Gidan Kwanu
204	General Hospital, Minna	Niger	General Hospital, Minna
205	Bells University	Ogun	Beside Wema Bank, Bells University, Ota
206	Covenant University	Ogun	Café 1, Covenant University, Ota
207	Dangote Cement Factory, Igbese	Ogun	Dangote Cement Factory, Igbese
208	Emerald Microfinance Bank	Ogun	Emerald Microfinance Bank, Akute
209	Garden Park Hotel, Arepo	Ogun	Garden Park Hotel, Arepo, Lagos /Ibadan Expressway
210	Isheri North Adonai Event Centre	Ogun	Isheri North, Adonai Event Centre, Ojodu
211	RCCG Arena Redemption Camp	Ogun	Redemption Camp, Km 46/85, Lagos/Ibadan Expressway Mowe
212	Olabisi Onabanjo University	Ogun	Olabisi Onabanjo University, Ago Iwoye
213	Psychiatric Hospital, Aro	Ogun	Psychiatric Hospital, Aro, Abeokuta
214	School Gate, Crawford University, Igbesa	Ogun	School Gate, Crawford University, Igbesa
215	Sweet Sensation, Oke Ilewo	Ogun	Sweet Sensation, Oke Ilewo
216	Tai Solarin University of Education	Ogun	Tai Solarin University of Education, Ijagun
217	Wempco Factory, Magboro	Ogun	Wempco Factory, Magboro, Lagos/Ibadan Expressway
218	Abbey Mortgage Bank	Ogun	Abbey Mortgage Bank, off Bank Road, Agbara
219	Mountain Top University	Ogun	Mountain Top University, Km12, Lagos-Ibadan Expressway
220	Gateway Polytechnic, Sagamu Ogun State	Ogun	Gateway Polytechnic, Sagamu
221	Mountain Top University	Ogun	Mountain Top University, Prayer City
222	Ifo ATM Gallery	Ogun	Ifo ATM Gallery Lagos-Abeokuta, Otta
223	General Hospital, Akure	Ondo	General Hospital, Akure
224	Ondo State School of Health Technology	Ondo	Ondo State School of Health Technology, Akure
225	Osemawe Palace Town Hall, Ondo	Ondo	Osemawe Palace Town Hall
226	Fountain University Campus	Osun	Fountain University Campus, Oshogbo
227	Alata Milk And Honey Restaurant	Osun	Alata Milk and Honey Restaurant, "Under-G" Area, Ogbomosho
228	CBN, Osogbo	Osun	Central Bank of Nigeria, Gbongan/Ibadan Road, Osogbo
229	Federal Polytechnic, Ede	Osun	Federal Polytechnic, Ede
230	HRM Oba Adeyemo Palace, Esa-Oke	Osun	HRM Oba Adeyemo Palace, Esa-Oke
231	Insight Microfinance Bank	Osun	Insight Microfinance Bank, Ijebu Ijesa
232	OAU Distance Learning Campus	Osun	Obafemi Awolowo University, Distance Learning Campus, Moro
233	OAU Teaching Hospital	Osun	Obafemi Awolowo University Teaching Hospital, Ile Ife
234	Olonkoro City Hall	Osun	Olonkoro City Hall, Opposite UBA, Igbonna, Oshogbo
235	Osun State College of Education	Osun	Osun State College of Education, Ilesha
236	Osun State College of Technology	Osun	Osun State College of Technology, MFB, Esaake
237	Osun State University	Osun	Osun State University, Ibokun Road, Osogbo
238	Redeemers University, Ede	Osun	Redeemers University, Ede
239	Wesley Guild, OAU Hosp. Annex	Osun	Wesley Guild Hospital, OAU Teaching Hospital Annex, Ilesha
240	Ooni of Ile Ife Palace, Enuwa	Osun	Ooni of Ile Ife Palace, Enuwa, Ile Ife
241	Ajayi Crowther University	Oyo	Ajayi Crowther University, Ajegunle Area



ATM LOCATIONS

S/N	LOCATION	STATE	ADDRESS
242	Emmanuel Alayande College of Education	Oyo	Emmanuel Alayande College of Education, Erelu
243	Macpherson University	Oyo	Macpherson University, Lagos-Ibadan Expressway, Ibadan
244	Nigeria Baptist Seminary Complex	Oyo	Ibapon Area, Oyo-Ogbomoso Road, Ogbomoso
245	University of Ibadan, Agbowo	Oyo	Opposite Proboy Shopping Complex, University of Ibadan Agbowo.
246	Rom Oil Company, Alomaja	Oyo	Rom Oil Company, Alomaja, Ibadan
247	Sumal Food, Ibadan	Oyo	Sumal Food, Ibadan
248	Jubaili Nigeria Limited, Ibadan	Oyo	Jubaili Nigeria Limited, Ibadan
249	Oando Filling Station, Oke Ado, Ibadan	Oyo	Oando Filling Station, Oke Ado, Ibadan
250	Ladoke Akintola University of Technology, Ogbomosho	Oyo	Ladoke Akintola University of Technology, Ogbomosho
251	Monatan ATM Gallery	Oyo	Iwo Road 2, Branch 4, Iwo Road Ibadan
252	Oando Filling Station, Orita Mefa, Ibadan	Oyo	Oando Filling Station, Orita Mefa, Ibadan
253	Yakubu Gowon Way	Plateau	41, Yakubu Gowon Way, Jos
254	Yakubu Gowon Way 2	Plateau	41, Yakubu Gowon Way, Jos
255	Airforce Officers' Mess	Plateau	3rd Division Barracks, Army Barracks, Rukuba Road, Jos
256	Airforce Officers' Mess	Plateau	Airforce Officers' Mess, Rayfield Gold and Base Road, Jos
257	University of Jos Temporary Site Campus	Plateau	Bauchi Road, Temporary Site Campus, University of Jos
258	University of Jos Permanent Site	Plateau	Naraguta, Along Bauchi Road
259	Landmark Hotel	Rivers	Landmark Hotel, off Olu Obasanjo Road, Port-Harcourt
260	Dangote Cement Factory, Onne	Rivers	Dangote Cement Factory, Onne, Port Harcourt
261	Elkan Terrace Hotel	Rivers	Elkan Terrace Hotel, off Abacha Road, GRA Port-Harcourt
262	Everyday Emporium	Rivers	Everyday Emporium, Port-Harcourt
263	Genesis Center	Rivers	Genesis Center, Tombia Street, GRA, Port-Harcourt
264	Ibeto Cement Factory	Rivers	Ibeto Cement Factory, Bundi Water Side, Port-Harcourt
	Monipulo Oil Company	Rivers	Monipulo Oil Company, Old GRA, Port-Harcourt
265	Nextime Supermarket	Rivers	Nextime Supermarket, Abacha Road, Port-Harcourt
266	Prodeco Camp/ Housing Estate	Rivers	Onne Oil And Gas, Free Zone, Port-Harcourt
267	University of Port-Harcourt Teaching Hospital	Rivers	University of Port-Harcourt, Teaching Hospital
268	Visa Karena	Rivers	Visa Karena Hotel, Port Harcourt
269	NLNG	Rivers	NLNG, Port Harcourt
270	Echelon Height Hotel	Rivers	Echelon Height Hotel, Trans Amadi Industrial Layout, Near Erijoy Hotel, Port-Harcourt
271	Shagari College of Education, Sokoto	Sokoto	Shagari College of Education, Sokoto
272	Usman Danfodio University, Sokoto	Sokoto	Usman Danfodio University, Sokoto
273	Resort Savings & Loans Premises	Taraba	Jolly Nyame Estate, Mile 6, Jalingo
274	American University	Yola	American University, Lamidi, Zuberu Road
275	Federal University of Technology	Yola	Federal University of Technology, Girei Local Government,



SUBSIDIARIES

The subsidiaries achieved commendable growth across key indices in 2017. Profit Before Task grew by 34% from N9.7 billion to N13.0 billion mainly due to retail bank campaign deployed across the subsidiaries, deployment of channels products, increased correspondent banking activities in the UK and increased transactional banking in the subsidiaries. Total deposits grew by 42% from N603 billion to N868 billion while risk assets grew by 21% from N320 billion to N388 billion.

S/N	SUBSIDIARIES LOCATIONS.	KEY ACHIEVEMENTS IN 2017
1	Ghana	i Launched the Abusua Akyede3 promo and other retail campaign programmes <ul style="list-style-type: none">Signed on over 100,000 accounts and mobilized deposits in excess of N10.9 billion.
		ii Deployed *901# and premium mobile banking app <ul style="list-style-type: none">Signed on over 61,000 subscribers on USSD Banking and 16,669 subscribers on the mobile banking app
		iii Launched 'Solo dey Pap' campaign at 5 major Universities <ul style="list-style-type: none">Issued 16,000 new cardsAcquired 5,000 new accounts
		iv Increased brand visibility by opening 3 new branches and 1 re-location
2	UK	i Achieved Full banking Licence in Dubai. <p>The Dubai Representative Office was granted full Category 4 Branch permission in October 2017. This now enables Dubai office to operate as an SBU to develop business in the MENA Region.</p>
		ii Growth in Retail Deposits <p>Our UK based fixed rate retail savings products continued to grow as a result of a targeted marketing strategy. They grew from £179 million in January 2017 to £254 million in December 2017, an increase of 42%.</p>
		iii Growth of Execution only product for Private Bank <p>As the result of customer demand, we developed our new execution only portfolio product. This attracted further Asset under Management. As at 1st January, 2017 the number of funded Execution Only Portfolios was 14 with a value of £10,000,260. This increased during the year to 24 with a value of £20,051,424, representing a 100% increase.</p>
		iv Growth in Commercial banking products and profitability. <p>The Commercial Banking Division continued to expand its product range to meet customer demand.</p>

**S/N****SUBSIDIARIES LOCATIONS.****KEY ACHIEVEMENTS IN 2017**

3	Congo DR	i	Successful implementation of RTGS, ACH and CTS for Central Bank of Congo DR In February 2017, Access Bank DR Congo was selected as one of the five banks out of the total number of twenty one, to pilot the implementation of the RTGS, ACH and CTS project of the Central Bank of DR Congo. This was successfully implemented in September 30, 2017.
		ii	Won accolades from the Central Bank of Congo DR and Ministry of Finance for National Civil Servants Payment Programme. In July 2017, Access Bank DR Congo was one of the three Banks adjudged to have performed excellently in the national civil servant payment programme in the first half of the year by the committee set up by the Central Bank of DR Congo and the Ministry of Finance.
		iii	Increased brand visibility by opening 3 new branches and 6 (six) Automated Teller Machines (ATMs) Successful opening of three new branches during the year thus improving the Bank's visibility and accessibility in the three very important provinces in DR Congo namely Kinshasa, Lubumbashi and Matadi. We have also onboarded additional 8,500 local ATM card users, thus increasing our local ATM card base from 11,000 in 2016 to 19,500 at the end of November 2017.
		iv	Secured the mandate for the payment of additional 30,000 Civil Servants in 2017. Through this mandate, we successfully on-boarded an additional 13,000 civil servant salary accounts during the year.
4	Zambia	i	National Pension Scheme Authority ('NAPSA') Collection Platform: Implementation of a robust National Pension Scheme Authority ('NAPSA') collections platform.
		ii	Multi-Channel Support Award: Access Bank Zambia was awarded the '2017 Efficient Utilization of Multi-Channel Support Award' by Zambian Institute of Customer Management (ZICM)
		iii	Corporate Social Responsibility: Access Bank Zambia Partnered with the University Teaching hospital and trade king to donate mother and baby hampers, bed sheets and cleaning materials and other items to the maternal health ward
5	Gambia	i	Teller Implant at Gambian Revenue Authority ('GRA'): Establishment of Teller Implant at Gambian Revenue Authority Corporate Head Office in Banjul.

**S/N****SUBSIDIARIES LOCATIONS.****KEY ACHIEVEMENTS IN 2017**

		ii	Sole Tax Collection Bank for Gambian Revenue Authority ('GRA') and Hajj: Appointment as Sole Collecting Bank for Cheques Tax Payment for Gambia Revenue Authority as well as Gambia Hajj Commission for Pilgrims nationwide.
		iii	Growth of Balance Sheet & PBT: Grew deposits by RWF5.9 Billion and returned to profitability by delivering RWF 763 Billion for 2017 Financial Year having made a loss in 2016 Financial Year due to impairment charges.
6	Rwanda	i	Corporate Social Responsibility: The Bank donated sewing equipment and all accessories to support BERWA co-operative which has 11 women, all of whom are genocide survivors.
		ii	Branch Optimization: The Bank optimized two branches (Remera and Nyabugogo) by relocating to bigger and more spacious locations to conveniently take larger customer footfalls.
7	Sierra Leone	i	Corporate Social Responsibility: The Bank's employees donated food items and equipment to the Don Bosco family, in support of vulnerable girls and women who are being rehabilitated from child trafficking and the illegal sex trade.
		ii	Branch Optimization: The Bank optimized two branches by renovating and adding ATMs to more conveniently service higher customer footfalls. The Congo Cross branch is now 50% solar powered, reducing dependence on public power supply.



CORRESPONDENT BANKS

S/n	Bank	Address	S/n	Bank	Address
1.	ABSA Bank	15 Alice Lane Sandton, Gautend South Africa	18.	J.P. Morgan	Trinity Tower 9 Thomas More Street London E1W 1YT, UK
2.	Bank of Beirut	Nigeria Rep Office 5 Alfred Rewane Street Ikoyi, Lagos, Nigeria	19.	KBC Bank Belgium	KBC Bank NV Havenlan 12 1080 Brussels, Belgium
3.	Banque SBA	68 Avenue Des Champs Elysees BP 7108 - 75008, Paris France	20.	Mashreq Bank	Post Box 1250 Dubai U.A.E
4.	British Arab Commercial Bank	8 10 Mansion House Place LONDON EC4N 8BJ	21.	Société Générale	29 Boulevard Haussmann 75009 Paris
5.	Byblos Bank, London	Suite 5, Berkeley Square House, Berkeley Square London W1J 6BS, UK	22.	Standard Bank of South Africa	25 Saver Street Johannesburg 2001, S.A
6.	CitiBank London	Citigroup Center, Canada Square, Canary Wharf London E14 5LB, UK	23.	Standard Chartered Bank, London	22 Billiter Street London EC3M 2RY, UK
7.	CitiBank New York	111 Wall Street 19th Floor/Zone 1 New York NY 10043, USA	24.	Sumitomo Mitsui Banking Corporation Europe Limited	99 Queen Victoria Street London EC3V 4EH, UK
8.	CitiBanNew York	111 Wall Street 19th Floor/Zone 1 New York NY 10043, USA	25.	The Access Bank UK Limited	1 Cornhill London EC3V 3ND, UK
9.	CommerzBank AG	Corporate Banking Stretured Export and Trade Finance Kaiserplatz 60311 Frankfurt am Main, Germany.	26.	UBS	P.O. Box CH-8098 Zurich
10.	Crédit Agricole	91-93 Blvd. Pasteur, Paris, 75015	27.	United Bank for Africa	40 East 52nd Street New York 10022-5911, USA
11.	Credit Suisse AG	Giesshubelstrasse 30 P.O. Box 100 CH-8070 Zurich	28.	UniCredit	Piazza Cordusio 20123 Milano
12.	Danske Bank	2-21 Holmens Kanai DK-1092 Copenhagen Denmark			
13.	Deutsche Bank	6, Bishopsgate London EC2N 4DA, UK			
14.	FBN UK	28, Finsbury Circus London EC2M 7DT, UK			
15.	First Abu Dhabi Bank	FAB, Business Park, Abu Dhabi			
16.	First Rand Bank	4 Merchant Place Corner Fredman Drive and Rivonia Road Sandton, 2196			
17.	IFC	2121 Pennsylvania Av. NW Washington DC 20433, USA			



AGENCY BANKING NETWORK

Summary of the Bank's agency banking network as at December 31, 2017
Is provided below

Geo-Political Zone	Number of Agents
Federal Capital Territory	126
North-Central	256
North-East	5
North-West	151
South-East	127
South-South	190
South-West	976
Total	1,831

Full detail are provided at <http://www.accessbankplc.com/contact-us/Agent-Banking-Details.aspx>

I'm Low

I'm Red

I'm Rich

I'm not buoyant

I'm Down

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However you say it,
we understand.

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FOR MORE INFORMATION

☎ 01-271 2005-7

✉ contactcenter@accessbankplc.com

🌐 www.accessbankplc.com



SPEED SERVICE SECURITY



Corporate Head Office:

Plot 999c Danmole Street,
Off Adeola Odeku / Idejo Street,
Victoria Island,
Lagos, Nigeria.

www.accessbankplc.com

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MANTRA:**

Exceptional Service
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