FirstHoldCo

RECHARGED

First HoldCo Plc

Annual Report and Accounts 2024

PREMIUM BOARD LISTED

In this Report

The term 'First HoldCo Plc' or 'the Group' means FirstHoldCo together with its subsidiaries. First HoldCo Plc (previously known as FBN Holdings Plc) is a financial holding company incorporated in Nigeria on 14 October 2010. The Company was listed on the Nigerian Exchange Limited (NGX) under the 'Other Financial Services' section on 26 November 2012 and has issued and fully paid-up share capital of 35,895,292,792 ordinary shares of 50 Kobo each (₦17,947,646,396) as at 31 December 2024.

During the year, a Rights Issue of one share for every six shares held was offered to existing shareholders which amounted to 5,982,548,799 shares which closed on 30 December 2024. The Securities & Exchange Commission (SEC) approved the basis of allotment of the shares in March 2025, while the shareholders' register and listing of the new shares on the Nigerian Exchange were concluded as at 7 April 2025. Hence, the share capital of the company now amounts to ₦20,938,920,795 billion made up of 41,877,841,590 shares of 50kobo each.

In this Report, the abbreviations '₦mn', '₦bn' and '₦tn' represent millions, billions and trillions of Naira, respectively. The audited financial statements in this Annual Report have been prepared under the International Financial Reporting Standards (IFRS).

Unless otherwise stated, the income statement compares the 12 months of 2024 to the corresponding 12 months of 2023. The statement of financial position compares the closing balances as at 31 December 2024 with those of 31 December 2023. All the balances and figures relate to continuous operations except as otherwise disclosed. Relevant terms used in this document but not defined under applicable regulatory guidance are explained in the abbreviation section of this Report.

This Annual Report, the list of unclaimed dividends, and all our business locations are available in the Investor Relations section of the FirstHoldCo website.

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Welcome to FirstHoldCo

VISION

To Be The Leading African Financial Services Provider Delivering Innovative Solutions.

STRATEGIC AMBITION

Maximise Shareholder Value Through A Diversified Portfolio Focused On Putting The Customer 'First'.

CORE VALUES

Entrepreneurial
Professionalism
Innovative
Customer-Centric

Who We Are

First HoldCo Plc is Nigeria's premier Financial Services Group. The institution, through its subsidiaries, offers a diverse range of financial products and services across Commercial Banking, Investment Banking, Asset Management, Trusteeship, Securities Brokerage, and Insurance Brokerage. These subsidiaries provide cutting-edge financial solutions across Africa, Europe and Asia.

NOTABLE MILESTONES

- Listed on the NGX as FirstBank in 1971[1] and as FirstHoldCo[2] in 2012.
- Leading asset management, trusteeship, and financial advisory organisations within the Group.
- 9.2 million[3], FirstMobile subscribers/ FirstOnline subscribers.
- >280,000 Agents in the fastest-growing Agent Banking network, present in 772 LGAs[4].
- 3,117 ATMs.
- >222 million electronic banking transactions per month.
- >42.58 million customer accounts[5].
- Bespoke transaction banking solution (FirstDirect 2.0).
- Notable USSD transactions with > 16.2 million users.
- 817 Business locations[6].
- Providing cutting-edge solutions for retail insurance broking.
- Name change from FBN Holdings Plc to First HoldCo Plc[7].

[1] Oldest bank in Nigeria.

[2] Previously known as FBN Holdings Plc.

[3] As at March 2025.

[4] Local government areas in Nigeria.

[5] Inclusive of mobile wallets.

[6] This includes local and International branches and locations.

[7] Name change took effect in 2025.

Our Business

FirstHoldCo

Our businesses deliver financial services to a diverse customer base across Commercial Banking, Investment Banking, Asset Management, Trusteeship, Securities Brokerage, and Insurance Brokerage.

COMMERCIAL BANKING GROUP

FirstBank

- First Bank of Nigeria Limited
- FirstBank UK Limited
- FirstBank DRC Limited
- FBNBank Senegal Limited
- First Bank Ghana Limited
- FirstBank Guinea Limited
- FirstBank Sierra Leone Limited
- FirstBank The Gambia Limited
- First Pension Custodian Nigeria Limited
- First Nominees Nigeria Limited

FirstBank group operates across seven African countries and the United Kingdom, with representative offices in China and France, providing financial services to individuals, businesses, corporate organisations, multinational companies, public sector and financial institutions.

INVESTMENT BANKING AND ASSET MANAGEMENT GROUP

FirstCap

- FirstCap Limited
- FBNQuest Funds Limited

FirstAssetManagement

- First Asset Management Limited

FirstSecuritiesBrokers

- First Securities Brokers Limited

FirstTrustees

- First Trustees Limited

The group is committed to providing innovative investment solutions for our diverse customer base, which comprises governments, financial and non-financial institutions, and high-net-worth individuals.

The group creates value for our shareholders by offering investment banking services, wealth and fund management services, asset administration and securities trading.

INSURANCE BROKERS

FirstInsuranceBrokers

- First Insurance Brokers Limited

The Company offers expert risk management, insurance broking, as well as advisory services in life and general insurance businesses.

Performance Highlights
Financial

GROSS EARNINGS

+105.7% ▲

Gross earnings grew impressively by 105.7% driven by a significant increase in our core and non-interest income, reflective of our strong earnings capacity and well-diversified revenue sources.

2024: ₦3,212.6bn
2023: ₦1,561.8bn

NET INTEREST INCOME

+156.5% ▲

Net interest income improved by 156.5% on the back of disciplined growth in earning assets.

2024: ₦1,401.3bn
2023: ₦546.3bn

NON-INTEREST INCOME[1]

+27.8% ▲

Non-interest income was up 27.8% year-on-year driven by a 38.2% increase in fee income supported by larger transaction volumes, optimisation of digital products and delivery models.

2024: ₦755.1bn
2023: ₦591.0bn

PROFIT BEFORE TAX

+123.6% ▲

The Group achieved remarkable 123.6% year-on-year profit growth despite a challenging macroeconomic backdrop. This underscores the resilience and strength of our business.

2024: ₦796.5bn
2023: ₦356.1bn

CUSTOMER DEPOSITS

+61.0% ▲

Growth in deposits demonstrates franchise strength and an increasingly strong deposit base.

2024: ₦17,170.7bn
2023: ₦10,663.3bn

CUSTOMER LOANS AND ADVANCES (NET)

+37.9% ▲

Customer loans and advances (Net) increased by 37.9%, underscoring the Group's unwavering commitment to supporting our customers, driving earnings growth while ensuring a robust, healthy loan portfolio.

2024: ₦8,767.9bn
2023: ₦6,359.3bn

EARNINGS PER SHARE (EPS)[2]

+117.6% ▲

The Group maintained a strong and consistent growth trajectory in its earnings capacity.

2024: ₦18.69
2023: ₦8.59

RETURN ON AVERAGE EQUITY (ROaE)[3]

▲

ROaE demonstrates strong commitment to maximising returns for shareholders.

2024: 29.8%
2023: 22.5%

RETURN ON AVERAGE ASSETS (ROaA)[4]

▲

ROaA reflects improving asset optimisation capability.

2024: 3.1%
2023: 2.2%

[1] Non-interest income is net of fee and commission expenses.

[2] Basic EPS computed as profit after tax divided by weighted average number of shares in issue; this includes discontinued operations.

[3] Post-tax return on average equity computed as profit after tax attributable to shareholders divided by the average opening and closing balances attributable to equity holders.

[4] Post-tax return on average assets computed as profit after tax divided by the average opening and closing balances of its total assets.

Performance Highlights Non-Financial

FirstHoldCo

Employee Engagement

In 2024, First HoldCo Plc received several accolades from the Great Place to Work Institute.

A. Culture and Workplace Practice Assessment

1. Scored 96% on the Trust Index measure [2]
2. Scored 96% on the Employee Engagement measure [2]

B. Awards and Recognitions

1. Won the 'Best in Promoting People Practices' Award.
2. Received the 'Best in Promoting a High Trust Culture' Award.
3. Achieved Platinum certification as a Great Workplace.
4. Ranked 1st as the Best Place to Work (small-size corporates category).

FirstBank

Disruptive Innovations

- Implemented end-to-end digitisation of the account opening process for Individual and Diaspora customer segments.
- Rolled out the Card Delivery feature on FirstMobile to make it easier for customers to request their debit cards from the comfort of their homes and offices.
- Launched the virtual debit and credit card options on FirstMobile.
- Aggressively scaled the deployment of Self-Service Kiosks across business locations to empower customers to perform routine transactions & updates independently.
- Leveraged Robotics Process Automation (RPA) in transforming a good number of back-office processes with a significant uplift in operational efficiency and customer experience.
- Ranked the Most Innovative Digital Bank Nigeria - 2024 by Digital Banker Africa Awards.
- Awarded the Best Mobile Banking App "FirstMobile" 2024 by Annual Global Economics Awards.
- Highly acclaimed for Best Use of Technology for Customer Experience (DXC) – Overall by Digital Banker CX Awards.

Customer Focus

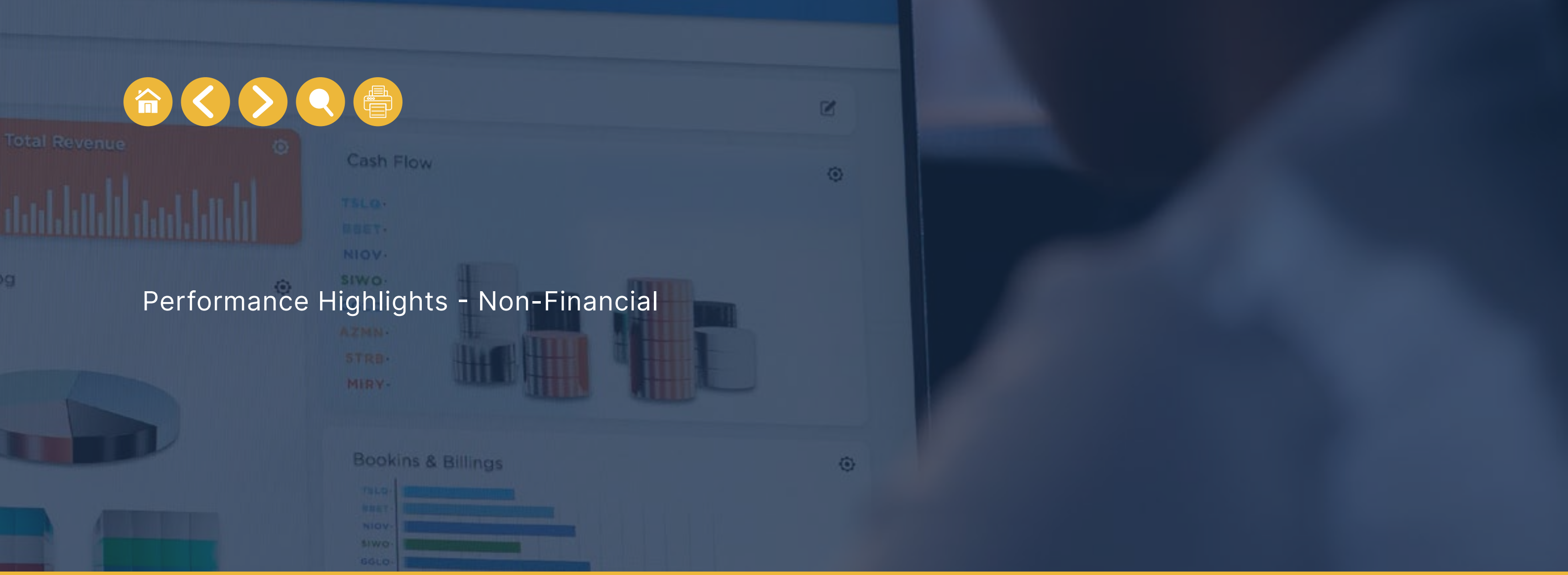
- Grew the number of customer accounts (including digital wallets) to over 42.5 million (2023: over 42 million).
- Increased the number of customers across FirstBank's digital channels to over 25 million (2023: 23 million).
- Improved customer satisfaction rankings across SME, Retail, Wholesale & Private Banking segments.
- Awarded the Best SME Bank in Africa – 2024 by The Asian Banker.
- Won Nigeria's Best Bank for Corporates – 2024 by Euromoney Awards for Excellence.
- Ranked the Best Private Bank in Nigeria - 2024 by Global Finance Awards.
- Ranked the Best Retail Bank in Nigeria – 2024 by Global Banking and Finance Awards.

Employee Engagement

- Executed multiple employee engagement initiatives to sustain and enhance the overall employee experience.
- Leveraged strategic partnerships with several leading learning services providers to offer tailored interventions & training to upskill employees, enhance productivity and build a global high-performing workforce.
- Delivered several bespoke recruitment programmes to offer meaningful career opportunities to young African talents.

[1] Great Place to Work: A global authority on workplace culture.

[2] Based on assessment by the Great Place to Work (GPTW) Company.



Performance Highlights - Non-Financial

FirstBank

Extensive Outreach

- Grew the FirstMonie Agent Banking network to over 280,000 (2023: >233,500) agents, covering 772 LGAs in Nigeria.
- Expanded our presence and platform play across all business locations – Nigeria and subsidiary locations.
- Awarded the Best Financial Inclusion Service Provider Nigeria – 2024 by Digital Banker Africa Awards.

Brand Strength

- Entrenched robust risk management framework and practices across all operating jurisdictions.
- Maintained a credit rating that is at par with the sovereign and industry peers.
- Recognised as the Iconic Brand of the Year by Brandcom Awards.
- Recognised as the Financial Institution of the Year 2024 by Cybersecurity Experts Association of Nigeria (CSEAN).

Environmental, Social and Governance (ESG)

- Embarked on a climate mainstreaming project to identify and address climate action gaps in the Bank's strategy and operations.
- Deployed a Bank-wide sustainability awareness course to improve staff knowledge with respect to sustainability.
- Launched an ESG podcast to address pressing environmental, social and governance issues.
- Awarded Best CSR Bank in Nigeria – 2024 by Global Banking and Finance Awards
- Recognised as Nigeria's. Best Bank for ESG – 2024 by Euromoney Awards for Excellence.
- Recognised for the Most Sustainable Banking Solutions Nigeria – 2024 by Gazet International Annual Awards.

Performance Highlights - Non-Financial

Investment Banking and Asset Management (IBAM)

Disruptive Innovations

- Enhanced our technology platforms to improve operational efficiency for productivity:
- Enhanced the Asset Management platform to ensure seamless end-to-end operations using a new core application.
- Upgraded the FirstSecuritiesBrokers core platform for optimal functionality and service delivery.
- Automated key processes across our support functions to drive greater efficiency.

Customer Focus

- Enhanced customer service delivery with the implementation of a new contact centre solution to offer a consistent and positive experience across all communication channels.
- Launched podcasts for FirstTrustees (The Legacy Room) and FirstAssetManagement (Money Conversations) as part of our focus on enhancing brand visibility and client awareness.
- Participated in the inaugural Lagos Private Wealth Fair, in partnership with Wealth 8, a UK wealth advisory firm, to raise awareness of our offerings for HNIs/UHNIs.

Employee Engagement

- All the IBAM entities were certified as 'Great Place to Work', reinforcing our reputation as an Employer of Choice.
- Retained our Top 10 ranking as a Great Workplace in FirstTrustees, FirstAssetManagement and FirstCap.
- FirstTrustees was recognised the Best Workplace for Women by the GPTW.
- Completed the Leadership Development Programme (LDP) across all cadres to equip staff to lead effectively and confidently.

FirstInsuranceBrokers

Disruptive Innovations

Enhanced the digital brokerage platform through potential partnerships and onboarding of new insurers to offer clients more options and an improved customer experience.

Customer Focus

Achieved a 91% external customer satisfaction score, up from 85% in 2023, highlighting the company's commitment to delivering exceptional insurance and risk advisory services.

Employee Engagement

- Received a Platinum Certification from the GPTW.
- Ranked as one of the Top 10 Workplaces in Nigeria by GPTW.
- FirstInsuranceBrokers recorded an 81% internal customer satisfaction score, consistent with 2023. This underscores the company's commitment to its staff satisfaction and innovation drive through the continuous redesign and automation of key internal processes.

Investment Banking and Asset Management (IBAM)

Brand Strength	Environmental, Social and Governance (ESG)
Rebranded our entities to embody our 'First' heritage and our drive to be Number One across all offerings.	• Held the annual EPIC walk to raise funds for educational charities. • Completed free annual health checks for all staff as part of the 2024 Health Week activities. • The Quest Women's Network (QWN) held various events focused on lifestyle, health and career development as part of its efforts to promote diversity and inclusion across the Group. • As part of International Money Week 2024, we partnered with local schools to promote financial literacy.

FirstInsuranceBrokers

Extensive Outreach	Brand Strength	Environmental, Social and Governance (ESG)
Delivered bespoke services across branches in Abuja, Port Harcourt, and Ibadan, with FirstInsuranceBrokers head office in Lagos. Through FirstBank branches nationwide, the company seamlessly extends its services to clients across Nigeria.	In line with the strategic expansion across commercial, public sector and retail portfolios, the business is reinforcing market visibility and industry leadership.	Deepened commitment to ESG considerations: • Expanded high-impact CSR initiatives. • Strengthened advisory role, equipping clients with strategic insights on ESG compliance and the evolving impact on risk management. • Advanced workplace diversity and inclusion through enhanced HR policies and introducing new initiatives, reinforcing a culture of equity and sustainability.

Awards and Recognitions

In the year 2024, FirstHoldCo achieved a significant milestone, evidenced by the numerous accolades it received for exemplary workplace practices. These awards and recognitions underscore the Group's steadfast commitment to fostering exceptional service to our stakeholders.

Platinum Certification as a
GREAT PLACE TO WORK

This represents the highest certification level, serving as a testament to the quality of FirstHoldCo's 'People Agenda,' human resources policies, workplace practices and robust corporate culture.

Best in Promoting People Leadership Practices by
GREAT PLACE TO WORK

FirstHoldCo was honoured with this Award in recognition of its outstanding leadership, characterised by the nurturing of talents and a strategic commitment to integrating corporate values, vision and strategic goals across the Group.

Best in Promoting High Trust Culture by
GREAT PLACE TO WORK

This Award highlights FirstHoldCo's dedication to fostering an inclusive work environment, that empowers employees through a strong support and reward system that promotes collaboration and accountability, enabling the Group to collectively achieve its strategic goals.

Ranked Number 1 – Best Workplaces by
GREAT PLACE TO WORK

FirstHoldCo achieved the distinction of being ranked number 1, a laudable achievement that strongly indicates our exemplary employer brand and high levels of employee engagement.

Nigeria's Best Bank for Corporates
Euromoney Awards for Excellence

Bestowed on FirstBank for its outstanding market leadership in corporate banking business and strategic advisory services that drive business success across various sectors in Nigeria.

Nigeria's Best Bank for ESG
Euromoney Awards for Excellence

Recognised FirstBank's dedication to Environmental, Social and Governance best practices. FirstBank is setting the benchmark for responsible banking, embedding ESG principles into its operations and business decisions.

Awards and Recognitions

Best SME Bank in Nigeria

The Asian Banker

Honoured FirstBank's commitment to empowering SMEs with capacity-building initiatives, reinforcing its role as a key driver of economic growth and business development in Nigeria, and encouraging the Bank to continue supporting the SME ecosystem.

Best SME Bank in Africa

The Asian Banker

Recognised FirstBank's exceptional impact on SMEs across Africa, highlighting its strategic focus on fostering entrepreneurship and providing advisory support.

Best Private Bank in Nigeria

Global Finance Awards

Awarded for FirstBank's exceptional dedication to meeting the distinct needs of affluent individuals as they strive to grow, safeguard, and transfer their wealth.

Best Private Bank for Sustainable Investing in Africa

Global Finance Awards

Commended FirstBank's efforts in guiding clients towards sustainable investment opportunities that align their financial goals with environmental and social responsibility, reinforcing commitment to ethical wealth management.

Most Innovative Digital Bank Nigeria

Digital Banker Africa Awards

Recognised FirstBank's leadership in driving innovative banking solutions, thus setting industry standards for user-friendly, secure, and accessible digital banking services.

Best Financial Inclusion Service Provider in Nigeria

Digital Banker Africa Awards

Recognised FirstBank for its exceptional achievement in spearheading developments in the market with innovative financial solutions for addressing the needs of underserved communities using advanced technology that is both robust and cost-effective for its agents and customers.

Top 10 of Top 50 Brands in Nigeria

Top 50 Brands Nigeria

Reaffirmed FirstBank's position as one of Nigeria's most trusted and recognisable brands, known for its consistency, reliability, and commitment to delivering value-driven solutions to millions of customers.

Financial Institution of the Year

Cybersecurity Experts Association of Nigeria

Recognised FirstBank's proactive approach to cybersecurity and commitment to protecting customers' data, preventing fraud, and maintaining a secure banking environment through advanced technological measures.

West Africa's Best SME Support Bank of the Year

West Africa Brands Excellence Awards

Celebrated FirstBank's deep understanding of the SME ecosystem and commitment to driving its growth across West Africa through initiatives such as business mentorship, easy access to funding, and networking opportunities.

Awards and Recognitions

Best Corporate Bank in Nigeria
Global Banking and Finance Awards

Bestowed on FirstBank for its impactful comprehensive financial solutions that support the operational and strategic goals of businesses across diverse industries in Nigeria.

Best CSR Bank in Nigeria
Global Banking and Finance Awards

Recognised FirstBank's longstanding commitment to corporate social responsibility (CSR) and creating sustainable positive impacts in communities through strategic initiatives in education, health, and welfare.

Best Private Bank in Nigeria
Global Banking and Finance Awards

Recognised FirstBank's excellence in private banking, underscoring its commitment to meeting the distinct needs of its high-net-worth clients.

Best Retail Bank in Nigeria
Global Banking and Finance Awards

Recognised FirstBank for its dedication to retail customers, providing convenient, accessible, and personalised financial services and ensuring customer satisfaction across multiple touchpoints.

Best SME Bank in Nigeria
Global Banking and Finance Awards

Awarded for its strong commitment to empowering entrepreneurs through tailored financing solutions, capacity building, and advisory services.

Best Corporate Bank Nigeria
World Economic Magazine

Acknowledged for its industry leadership in providing innovative corporate banking solutions that strengthen Nigeria's business ecosystem.

Most Sustainable Banking Brand Nigeria
World Economic Magazine

Recognised the Bank's focus on sustainability, reflecting concerted efforts in promoting green financing, reducing carbon footprint, and adopting responsible business practices that support Nigeria's economic and environmental goals.

Most Supportive Bank for Start-Ups and SMEs Awards
Association of Small Business Owners of Nigeria (ASBON)

Honoured its role in fostering innovation and entrepreneurship among start-ups and SMEs, providing emerging businesses with the right foundation needed to scale and succeed.

E-Bank of the Year Award
Champions Newspaper Limited

Awarded for its excellent electronic banking services and user-friendly platforms, which provide secure and convenient access to a wide range of digital financial solutions.

Awards and Recognitions

Most Innovative Digital Banking Services Nigeria
World Business Outlook Awards

Celebrated for its transformative digital services, providing cutting-edge solutions to meet the evolving needs of customers.

Best CSR Bank Nigeria
World Business Outlook Awards

Recognised FirstBank's impactful CSR initiatives, highlighting its commitment to empowering communities through strategic initiatives.

Most Innovative Banking Brand Nigeria
World Business Outlook Awards

Honoured FirstBank's trailblazing role in shaping Nigeria's banking landscape through innovative products and services.

Best Private Bank in Nigeria
Gazet International Annual Awards

Awarded for the exceptional private banking services, catering to the unique needs of its affluent clients.

Most Innovative SME Banking Solution Nigeria
Gazet International Annual Awards

This award acknowledges FirstBank's ability to design creative, efficient, and customer-centric financial products that address the unique challenges of SMEs.

Most Trusted Corporate Banking Services Nigeria
Gazet International Annual Awards

Recognised for its reputation as a reliable and strategic financial partner to corporates and delivering customised solutions that drive business growth and sustainability.

Most Sustainable Banking Solutions Nigeria
Gazet International Annual Awards

Honoured FirstBank's sustainable banking strategies, underscoring its commitment to responsible and impactful financial solutions.

Best Digital Banking Solutions Nigeria
Gazet International Annual Awards

This award highlights FirstBank's position as a leader in digital banking, delivering innovative and customer-centric solutions.

CSR Award for the Support of Small & Medium Enterprises
Social Impact and Sustainability Awards

FirstBank was recognised for its impactful CSR initiatives that empower SMEs, fostering economic growth and innovation.

Awards and Recognitions

CSR Award for Education Empowerment

Social Impact and Sustainability Awards

Commended FirstBank's significant contributions to education and equipping future generations with useful skills.

Best CSR Bank Africa

International Business Magazine Annual Award

Awarded for its far-reaching CSR programmes that drive positive changes across Africa.

Best Internet Banking Nigeria

International Business Magazine Annual Award

Recognised FirstBank's user-friendly and secure Internet banking platforms that redefine customer experience through innovative and convenient banking.

Most Valuable Outstanding Youth Friendly Bank of the Year

Young Achievers Magazine

Recognised for the exceptional focus on youth empowerment through tailored financial products and services.

Best Corporate Bank of the Year

Annual Global Economics Awards

Honoured FirstBank's unparalleled expertise and innovative approach to corporate banking business in Nigeria.

Best Mobile Banking App 'FirstMobile'

Annual Global Economics Awards

Bestowed on FirstBank for the cutting-edge features of its FirstMobile App, which provides customers with a seamless, secure, and intuitive banking experience, enabling them to perform transactions with ease from anywhere in the world.

Private Finance Initiative with the Highest Impact on the North-East Zone

Development Bank of Nigeria Service Ambassadors

Recognised FirstBank's pivotal role in supporting impactful financial initiatives in the North-East region.

Deposit Money Bank with the Highest Impact on MSMEs in Nigeria

Development Bank of Nigeria Service Ambassadors

Acknowledged FirstBank's crucial role in financing and supporting MSMEs, thus driving financial inclusion and economic empowerment.

Deposit Money Bank with the Highest Impact in Development Bank of Nigeria Focus States

Development Bank of Nigeria Service Ambassadors

Honoured FirstBank's outstanding contributions to economic development in the Development Bank of Nigeria's focus states.

Awards and Recognitions

Platinum Service Provider of the Year for Development Bank of Nigeria

Development Bank of Nigeria Service Ambassadors

Recognised FirstBank's exceptional service delivery as a platinum-rated partner.

Most Outstanding Youth Centric Bank

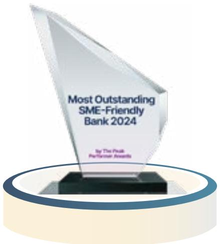
The Peak Performer Awards

Celebrated FirstBank's leadership in empowering and supporting the aspirations of Nigeria's youth.

Most Outstanding Women-Friendly Bank

The Peak Performer Awards

Honoured the Bank's impactful financial products and services tailored to women's needs.



Most Outstanding SME-Friendly Bank

The Peak Performer Awards

Commended FirstBank's unwavering dedication to SME growth and empowerment.

Most Outstanding Legacy Institution

The Peak Performer Awards

Recognised FirstBank's enduring legacy as a pillar of financial excellence in Nigeria.

Iconic Brand of the Year

Brandcom Awards

Honoured the Bank's timeless legacy and unparalleled reputation in the financial sector, thus affirming its continued relevance, excellence, and trustworthiness in Nigeria.

Winner, HR Optimisation Award - Employee Engagement & Internal Communication Initiative Category

CIPM HR Oscar Awards

Honoured FirstBank's innovative strategies in fostering employee engagement and communication.

Winner, HR Optimisation Award – Talent Acquisition Category

CIPM HR Oscar Awards

Recognised FirstBank's excellence in attracting and retaining top talents and workforce.

Winner, HR Best Practice Sectoral Award – Financial Sector

CIPM HR Oscar Awards

Acknowledged FirstBank's industry-leading HR practices and dedication to workforce excellence.

Awards and Recognitions

Banking Innovation Leader in Financial Services, Africa

Capital Finance International Awards

Affirmed FirstBank's position as an industry pacesetter, leveraging innovation and technology to redefine banking experience across Africa, enhancing efficiency and customer satisfaction.

Highly Acclaimed: Best Use of Technology for Customer Experience (DXC)

Overall Digital Banker CX Awards

This recognition highlighted FirstBank's exceptional integration of cutting-edge technology, leveraging advanced digital tools, AI-driven insights, and personalised banking solutions to enhance customer experience.

Highly Acclaimed: Outstanding SME Supply Chain Finance Solution

Digital Banker Awards

Recognised FirstBank's innovative supply chain finance solutions tailored to SMEs, ensuring seamless access to working capital, improved cash flow management, and optimised business operations for sustainable growth and financial stability.

Campaign of The Year – 2024 (3rd place)

Nigerian Marketing Awards

FirstBank's strategic 130th Anniversary campaign and Easter Sunday creative attracted several accolades from a diverse audience and earned industry recognition for its creativity, impact, and alignment with the Bank's vision and mission.

Best Social Responsibility Campaign of The Year (2nd place)

Nigerian Marketing Awards

Recognised the significant impact of the 2024 CR&S Week campaigns and SPARK activities, which underscored the Bank's commitment to corporate social responsibility and made a positive impact on its host communities.

Africa's Most Valuable Pension Fund Custodian

African Most Valuable Brands

The award validates First Pension Custodian Nigeria Limited's (FPCNL) exceptional commitment to excellence and innovation in enhancing its clients' financial security.

West Africa's Pension Fund Custodian for the Year

West Africa Brands Award

The award recognises and commends FPCNL's exceptional service, steadfast dedication to client security, and exemplary leadership in the pension sector.

Awards and Recognitions

Top 100 Companies making impact in Nigeria
Business Times Award

The award recognises FPCNL's unwavering commitment to enhancing financial security for its clients, its significant contributions to the industry's growth, and its resolute dedication to excellence.

CertifiedTM Company
Great Place to Work

FPCNL was certified a 'Great Workplace' in the small-sized organisation category, reflecting its unwavering commitment to exceptional workplace ethics, a strong organisational culture, and core values, while fostering a supportive and empowering work environment.

Great Place to Work Certification
Great Place to Work

FirstInsuranceBrokers earned the certification, affirming a positive workplace culture rooted in trust, inclusion and employee satisfaction.

Outstanding Leaders Honour – Best Customer Care Award
West Africa Innovation Awards

The award honors CEOs who embody a customer-first mindset and promote service excellence across the industry. FirstInsuranceBroker's CEO is a recipient of this award.

Best Insurance and Finance CEO of the Year
West Africa Innovation Awards

Recognised for exceptional leadership and innovation in West African Insurance and Finance, FirstInsuranceBroker's CEO is a two-time recipient of this award.

The prestigious awards and recognitions attained by the various companies in FirstHoldCo not only exemplify its accomplishments but also reflect the Group as a leading financial services provider.

Strategic Report

As **'One Group,'** we deliver innovative financial solutions through our subsidiaries, underscoring our commitment to a revitalised approach that addresses the evolving market needs.

Group Chairman's Statement

Distinguished Shareholders, Members of the Board of Directors, Ladies and Gentlemen

It is my honour to welcome you to the 13th Annual General Meeting of First HoldCo Plc. I am pleased to present to you the Annual Report for the year ended 31 December 2024 and the outlook for 2025.

2024 in Perspective:

A Year of Global Headwinds and Local Resilience

The year 2024 was marked by several developments that impacted businesses globally and domestically. A combination of challenges and opportunities influenced by changes in monetary and fiscal policies, inflation adjustments, and escalating geopolitical tensions characterised the state of the world economy, leaving the global GDP growth rate at about 3.2%, slightly lower than the pre-pandemic average of 3.6%. On the other hand, global trade expanded by 3.7% to $33trillion[1].

> **"Our top-line numbers reflect the strength and resilience of our business, with earnings surging by an impressive 105.7% year-on-year to a record ₦3.2tn."**
>
> **Peter Olufemi Otedola**, CON
> Group Chairman, First HoldCo Plc

[1] United Nations Conference on Trade & Development.

Group Chairman's Statement

Last year, on the back of strong services trade and activities within the developing economies, such as India and China, the economy remained resilient in Africa despite global and domestic shocks that impacted investment flows. The average GDP growth rate was 3.2%, 20 basis points higher than the prior year.

Domestically, households and businesses battled with elevated levels of inflation, which hit as high as 33.9% - driven primarily by food and energy costs; local infrastructure deficiencies, which exacerbated distribution costs; and heightened insecurity, which continually disrupted supply chains and limited accessibility to certain parts of the country. Despite these headwinds, the economy recorded real growth supported by aggressive economic reforms and expansion in key sectors such as Services, Agriculture, and Oil, bringing the GDP growth rate as at the fourth quarter of 2024 to 3.8%. The financial services industry played a key role in Nigeria's economic expansion, contributing c. 6.1% to GDP attributable to the sector's digital transformation, deepening of financial inclusion, and growing demand for digital payments, consumer credit, and asset management.

At FirstHoldCo, we were steadfast in our resolve to navigate these complexities by leveraging our inherent strength and capitalising on our diversified portfolio to unlock new opportunities, grow the business and deliver exceptional value to our shareholders.

Performance and Progress:

Leveraging a Solid Foundation

Through all the uncertainties that characterised the prior year, I am proud to share the Group's exceptional financial performance. Our top-line numbers reflect the strength and resilience of our business, with earnings surging by an impressive 105.7% year-on-year to a record ₦3.2tn. This performance was largely driven by a 156.5% year-on-year growth in net interest income, which reached ₦1.4tn. Additionally, our Non-interest income, driven by growing fee income and e-banking transactions, grew by 27.8%, rising from ₦591.0bn in 2023 to ₦755.1bn by year-end of 2024. Our bottom line grew by 124% year-on-year, with Profit before tax (PBT) standing at ₦796.5bn.

Supported by the efficient optimisation of our ₦26.5tn balance sheet, we strengthened our loan book and earning assets, leveraging delicately priced deposits to drive responsible credit expansion and overall earnings. Beyond the numbers, we remain deeply committed to reinforcing our risk management framework, ensuring that our growth is sustainable.

We are also pleased to report that the majority of our key performance ratios posted significant improvements over the previous years. Leveraging effective risk pricing, asset mix and the interest rate environment, we achieved a significant improvement in our Net interest margin, which increased by 3.8 percentage points to 9.9%, up from 6.1% in the previous year—despite an increase in cost of funds from 3.5% in 2023 to 5.6% in 2024. Our operational efficiency also improved markedly, with a cost-to-income ratio of 43.3%, a significant drop from 49.0% in 2023, reflecting our disciplined cost management and the impact of ongoing revenue generation strategies. However, reflecting the volatile business environment, we saw the Non-performing loan ratio increase to 10.2% in the reporting period, up from the 4.7% on record for 2023, due to a classification of one oil & gas exposure. While this is an area of concern, this challenge did not deter our ability to create value as we delivered strong returns to shareholders. Return on average equity rose to 29.8%, representing a 720-basis point increase from 22.5% last year, while Return on Average assets improved to 3.1% (80bp growth).

Advancing Digital Transformation and Innovation

Beyond the financials, 2024 also marked important progress in the evolution of our digital ecosystem. From streamlining onboarding processes to elevating customer experience, FirstHoldCo has remained at the forefront of delivering secure, inclusive, and cutting-edge digital solutions. We have introduced innovative features on our mobile banking app, online banking platform, digital insurance brokerage services, and USSD banking, ensuring seamless, convenient, and accessible financial services for our customers. Our USSD channel and expansive Agent Banking network remain at the forefront of financial inclusion, playing a pivotal role in facilitating banking services like account opening and digital lending at scale.

We are also scaling up the deployment of our Self-Service Kiosks, further improving accessibility and enhancing convenience.

Additionally, we have transformed our diaspora banking services by fully digitising the onboarding and account opening process, making it seamless and hassle-free for our customers around the world. Furthermore, we expanded our payment gateway solutions for merchants and small business owners, empowering businesses with more flexible and secure payment options for their customers.

These advancements underscore our unwavering commitment to transforming our internal processes, unlocking efficiency, enhancing turnaround times, delivering exceptional customer experience and allowing our people to focus on higher-value engagements.

As we progress, we remain committed to pushing the boundaries of what is possible through digital innovation. Our goal is to reimagine customer journeys and raise industry benchmarks for excellence.

Sustainability:

Commitment to Environment, Social and Governance Priorities

At FirstHoldCo, we remain committed to sustainable, responsible, and ethical business practices. Our long-term value creation strategy is deeply rooted in our commitment to Environmental, Social, and Governance (ESG) principles. Sustainability is embedded across the Group, and it is a cornerstone of our operations. Our ESG principles are anchored on four fundamental pillars:

1. **Sustainable Finance and Investment:** Ensuring that ESG considerations are factored into product design/development, credit assessments, and investment decisions.
2. **Environmental Sustainability:** Adopting hybrid work models, deploying sustainable practices into all client touchpoints, and reducing/cutting emissions.
3. **People Empowerment:** Ensuring that we prioritise employee well-being by fostering a safe, supportive, and growth-oriented work environment. Additionally, we encourage diversity and actively strive to bridge the financial inclusion gap in environments where we have a presence. By doing so, we are able to draw on our different backgrounds, experiences, and perspectives to enhance overall creativity at individual and community levels respectively.
4. **Community Support:** Uplifting communities through impactful initiatives such as our Spread Acts of Random Kindness (SPARK) programme.

Through these, we reaffirm our duty to act responsibly, lead ethically, and create shared prosperity across all our stakeholder groups.

Board and Leadership Transitions

In the past year, there have been notable changes in Board composition at the Holding Company and subsidiaries. At the Holding Company, Olusegun Alebiosu was appointed as the Chief Executive Officer of FirstBank in July 2024, succeeding Dr Adesola Adeduntan, who retired from the Board in April 2024. In November, Adebowale Oyedeji assumed the role of Group Managing Director of First HoldCo Plc following the retirement of Nnamdi Okonkwo. I extend my gratitude to Nnamdi for his invaluable contributions to the Group during his tenure. His leadership has shaped the Group's direction, and we wish him success in his future endeavours.

At FirstBank, the Board appointed four Non-Executive Directors: Remi Odunlami, Anil Dua, Omotunde Alao-Olaifa, and Adebowale Oyedeji, the Group Managing Director of FirstHoldCo. Additionally, Shehu Aliyu was appointed Executive Director of the Public Sector Directorate, and Ebenezer Olufowose, an Independent Non-Executive Director, assumed the role of Chairman of First Bank of Nigeria Limited. At FirstCap Limited, four new Non-Executive Directors: Yewande Amusan, Irene Ubiawhe-Akpofure, Zeal Akaraiwe, and Adenike Kuti, were appointed to the Board.

These appointments demonstrate our unwavering commitment to board diversity, transparency, accountability, and strategic oversight. We remain aligned with global best practices in governance and are confident that the strengthened leadership team will drive our vision forward and enhance overall shareholder value.

Outlook

As we progress through 2025, we remain cautiously optimistic, recognising the significant opportunities that lie ahead amid ongoing global complexities. The evolving economic landscape promises both challenges and growth avenues that inform our strategic direction.

Globally, geopolitical tensions and their results will continue to influence trade, investment, and capital flows, as well as financial market dynamics. In the United States, foreign policy changes, the ongoing trade wars, and the push for de-dollarisation of global trade may induce economic headwinds and negatively impact the country's growth prospects.

Group Chairman's Statement

Asia is expected to remain a central driver of global economic activity, with China reinforcing its strategic position in industries such as electric vehicles, renewable energy, and technology-driven manufacturing.

Africa, where a significant portion of our businesses are located, will present both challenges to overcome and opportunities to seize in 2025. Infrastructure gaps, debt concerns, and political instability remain obstacles. Yet, the continent's abundant resources, youthful workforce, and rapidly expanding digital economy offer compelling propositions for continued investment and long-term growth.

Nigeria's economic outlook will largely be shaped by the government's ongoing reforms, response to deep-rooted challenges, and interventions aimed at improving Foreign Direct Investment flows into the country. Energy tariff hikes, food supply disruptions, foreign exchange market volatility, and heightened insecurity will likely keep inflationary pressure elevated for the better part of the year. Within the Nigerian Financial Services industry, the recapitalisation of commercial banks, exponentially growing digital ecosystems, the emergence of new contenders in the Fintech space, and deepening domestic internet penetration all present massive opportunities for our portfolio of businesses.

In 2025, our focus will extend beyond navigating uncertainties to strategically leveraging them as drivers of transformation and business growth. Over the next 12 months, we will concentrate on improving certain aspects of our business and will focus on four imperatives:

- **Operational Efficiency:** Maximising value delivery across channels.
- **Portfolio Enhancement:** Exploring new business verticals and adjacencies to drive growth.
- **Strategic Partnerships:** Strengthening our ecosystem through collaboration.
- **Digital Innovation:** Leveraging automation and emerging technologies to enhance service delivery.

Furthermore, 2025 marks the commencement of our new five-year strategic planning and implementation cycle. The strategic plan functions as the Group's guiding framework, enabling the alignment of optimal business portfolio configurations with available strategic pathways grounded in our current strengths and future capabilities. As we press forward toward regaining our leadership position across the industries we play in, we remain excited about the prospects and opportunities ahead.

Our Collective Strength is Our Greatest Asset

In conclusion, I express my deepest appreciation to the Executive Management Team for their vision, dedication, and relentless pursuit of excellence. To our remarkable employees across the Group, your hard work, commitment and resilience are the heartbeat of this institution and the driving force behind our success. To our customers, thank you for your continued loyalty and trust in our services. Furthermore, to you, our valued shareholders, thank you for believing in our journey and standing by us through every chapter.

Together, we are building something extraordinary, an institution that is strong, agile, and future-ready.

P Otedola

Peter Olufemi Otedola, CON
Group Chairman
First HoldCo Plc

Group Managing Director's Review

Navigating a Dynamic Operating Environment

Globally, the last 12 months were fraught with volatility, uncertainty, complexity, and varied levels of ambiguity as markets reacted differently to global developments, ranging from escalating geopolitical tensions in the Middle East to the political posturing of some developed economies. Domestically, our operating environment was characterised by elevated headline inflation, supply-chain disruptions, exchange rate fluctuations, and high energy costs. These factors collectively elevated the cost and complexity of doing business in Nigeria. However, on the positive side, 2024 witnessed several economic reforms targeted at jumpstarting the economy and getting the nation on the path to becoming a US$1 trillion economy by 2030.

Amidst these macroeconomic headwinds, FirstHoldCo navigated with agility, underpinned by prudent risk management and control and an unwavering commitment to value creation, to adapt, innovate and deliver strong financial results during the period under review.

> **"2024 was the year of further improved profitability, the Group leveraged its diversified portfolio of businesses to deliver sturdy growth across key performance indicators."**
>
> **'Wale Oyedeji,**
> Group Managing Director
> First HoldCo Plc

Group Managing Director's Review

A Historic Financial Performance

Despite headwinds, 2024 was the year of further improved profitability; the Group leveraged its diversified portfolio of businesses to deliver sturdy growth across key performance indicators. Our Gross revenues recorded a triple-digit growth of 105.7% year-on-year to close the year at ₦3.2tn, up from ₦1.6tn reported in 2023. This growth was driven by optimisation of earning assets during the review period. Interest income surged by 155.9% to ₦2.4tn on the back of margin expansion in the high-interest rate environment and duly supported by the prudent scaling of our loan book to maximise returns therefrom. At the same time, Net Interest Income improved to ₦1.4tn (+156.5%, ₦546.3bn 2023). Similarly, Non-Interest Income from transactions increased by 27.8% from ₦591.0bn in 2023 to ₦755.1bn in 2024, with e-banking business, credit-related fees, and funds transfer & intermediation being the primary performance drivers and delivering year-on-year growths of 16.1%, 167.1%, and 129.7% respectively.

Despite notable inflationary pressures, our disciplined budget execution and containment efforts helped keep the Group's costs within limits. Key growth drivers of operating expense were personnel, maintenance and regulatory costs, which induced an increase in associated costs year-on-year respectively. The impact of this increase, however, was tempered by the significant growth in revenues, which translated to a marked reduction in the Group's cost-to-income ratio to 43.3%, down from 49.0% reported in 2023.

Strengthened Our Funding Base

The Group's Balance Sheet position at year-end remained solid, having delivered a Total Asset position of ₦26.5tn, representing a 56.6% increase from the prior year (2023: ₦16.9tn). Loans and Advances to customers, which constitute over 33.1% of the Group's asset base, grew by 37.9%. It is worth mentioning that, during the period, Non-Performing Loans (NPLs) spiked on account of the reclassification of a loan within our oil and gas portfolio. The asset reclassification induced about 50% increase in our NPL Ratio to 10.2% at 2024 year end (2023: 4.8%). The Group has activated mechanisms to recover non-performing assets and remains committed to getting the NPL ratio below the regulatory threshold of 5%.

On the liabilities side, Deposits from our customers, which support our lending and investment activities, increased to ₦17.2tn by 31 December 2024, up from ₦10.7tn reported at year-end 2023 (+61.0% year-on-year growth). Worthy of note is the growth in our low cost deposit during the review period, reflecting our customers' continued trust and confidence in our franchise.

Accelerating Digital Transformation and Financial Inclusion

Beyond our financial achievements, our Agent Banking network expanded significantly to over 280,000 agents, contributing to our revenue and reinforcing our commitment to financial inclusion. Our network of Agents helps deepen our penetration and reach to unserved and underserved communities across the nation. As of 31 December 2024, the Group had a total number of 817 physical business locations across the world. We presently have 3,117 Automated Teller Machines, 12.5 million Cards in circulation, and we manage over 42.5 million customers. Our digital channels host approximately 222 trillion transactions a month with our flagship franchise being the leading institution in electronic payment transactions with a 20% market share of commercial banking volume. Overall, these milestones reinforce our leadership position in digital banking and underscore our commitment to inclusive access to financial services for all.

Strengthening Our Core Business Segments

Commercial Banking Business

For FirstBank and its subsidiaries, 2024 was a record-setting year, delivering 96.6% of the Group's Gross revenues and expanding topline revenue by 107.9%. Net Interest Income grew by 156.5%, Impairments increased by 95.2%, non-interest revenues increased by 26.0%, and total operating expenses increased by 68.3%. Profits at the end of the review period stood at ₦720.8bn, representing a 127.3% growth year-on-year.

FirstBank was able to achieve these feats by focusing on three priority areas:

- **Maximising Core Business:** We actively enhanced client acquisition efforts across both traditional and innovative channels, thereby broadening our customer base and driving transaction volumes across retail, SME, and corporate customer segments. This translated into higher transaction velocity and, ultimately, higher non-funded revenues for the business.

- **Expanding into Adjacencies:** We launched end-to-end digital lending solutions that are part of the larger platform ecosystem curated by the Bank. These ecosystems not only serve the Bank's direct customers but also help deepen collaboration across our various operating entities.
- **Enhancing Operational Efficiency:** The integration of Robotic Process Automation (RPA) across 106 strategic resource functions streamlined our internal operations, significantly reducing turnaround times for routine banking functions and improving overall customer experience.

A Flourishing Non-Banking Sector

Our non-banking businesses comprise Asset Management, Investment Banking, Trusteeship, Securities and Insurance Brokerage. Collectively, the Group's non-banking businesses delivered strong results, with revenues growing 62.5% to ₦104.2bn and profits increasing by 70.7% to ₦56.5bn.

Asset Management

During the review period, the Asset Management business grew its topline revenues and profits by 58.6% and 163.3%, respectively, by focusing on three key aspects of their business:

1. Actively growing Assets Under Management (AUM).
2. Leveraging Strategic Partnerships to broaden footprint and deepen relationships locally and internationally.
3. Enhancing our digital capabilities to provide customers with access to our myriad of innovative financial products and services targeted at building, managing, and transferring wealth.

Investment Banking

The Investment Banking business grew its topline revenues and profits by 70.3% and 73.3%, respectively. The business focused on rebuilding and realigning internal capabilities for more sustainable growth in the short to medium term. This effort has successfully repositioned FirstCap as one of the leading investment banking institutions in Nigeria today, and its growth trajectory remains positive.

Trusteeship

The Trustee's business grew its topline revenues and profits by 37.4% and 23.5%, respectively, by focusing on three key aspects of their business:

1. Deepening awareness of products and services through public engagements and promotional offers. Launched the Legacy Room series and promoted targeted products across multiple engagement channels.
2. Actively collaborating and converting synergistic opportunities with other operating entities within the FirstHoldCo Group.
3. Advancing our digital play by providing and promoting the Simple Wills portal, which empowers individuals to take proactive steps toward establishing and securing their assets and/or estates.

Securities Brokerage

The Securities Brokerage business grew its topline revenues and profits by 103.2% and 178.7%, respectively. The business focused on enhancing overall customer experience along the various customer touchpoints. Working closely with the other operating entities within FirstHoldCo, the Securities business actively helped clients manage and execute trading on Nigerian exchange (NGX). Within the top 10 trading stockbrokers on NGX in 2024, FirstSecuritiesBrokers facilitated and executed a total transaction value of ₦189.94bn, accounting for 6.05% of the cumulative ₦3.13tn total value traded on the Exchange in the year.

Insurance Brokerage

The Insurance Brokerage business grew its topline revenues and profits by 57.7% and 25.3%, respectively, by focusing on three key aspects of their business:

1. Building and leveraging strategic partnerships with top-tier insurance underwriters in Nigeria.
2. Enhancing our digital play by launching a brokerage platform that empowers clients (retail and corporate alike) to make informed decisions regarding their preferred insurance partner via a transparent process.
3. Delivering unparalleled service excellence while helping our clients to identify and assess potential risks, as well as recommending strategies to mitigate those risks.

Strategic Initiatives and Transformations

Discontinued Operations

In September 2024, FirstHoldCo pursued a strategic portfolio optimisation initiative, divesting its stake in FBNQuest Merchant Bank to enhance its focus on our core operations. Sequel to the divestment, FirstAssetManagement, FirstCap, FirstTrustees, and FirstSecuritiesBrokers now operate as direct subsidiaries of FirstHoldCo. This strategic decision is aimed at providing better visibility and governance across our subsidiaries.

Brand Harmonisation

At the Annual General Meeting (AGM) held on 14 November 2024, shareholders of the Group approved a brand alignment initiative. Following requisite approvals, we proceeded to unify the identities of FirstHoldCo and its subsidiaries. Today, all entities within the Group have a unified identity under the "FIRST" brand, further strengthening our market presence.

Group Managing Director's Review

Recapitalisation
To meet the new CBN capital requirement for banks, FirstHoldCo recently completed a successful Rights Issue in the first round of capital raise and secured a capital injection of ₦147.3bn in net proceeds from the raise, deployed to shore up First Bank of Nigeria Limited capital base. This positions us well for future growth, with a planned Private Placement offer of up to an additional ₦350bn set to unlock further opportunities for expansion and diversification.

Cultivating People and Culture
In 2024, FirstHoldCo and its subsidiaries earned numerous prestigious accolades from global and local institutions, reaffirming our commitment to workplace excellence. In the small organisations category, FirstHoldCo was awarded the "Best Workplace" by Great Place to Work® and received a "Platinum" certification, signifying that FirstHoldCo is a top-rated workplace in Nigeria, with very high scores on key factors such as fairness, trust in leadership, and employee engagement. All the operating entities in the Group received the Great Place to Work certification. It is important to acknowledge that our people remain our greatest asset at FirstHoldCo. Executive leadership will continue to invest in programmes targeted at improving competency and the overall well-being of staff.

During the review period, our subsidiaries also attracted multiple industry awards, showcasing our dedication to excellence. FirstBank received several awards, including "Nigeria's Best Bank for ESG" and "Best Bank for Corporates" from Euromoney, "Best Corporate Bank in Nigeria" from World Economic Magazine, and multiple SME banking awards across Nigeria and Africa from The Asian Banker. It was also named "Best Retail Bank in Africa", "Best Private Bank in Nigeria", and "Most Innovative Digital Bank in Nigeria", amongst other accolades.

Our non-banking businesses were not left out in the series of accolades. FirstAssetManagement was honoured for "Excellence in Asset Management" by BusinessDay and named "Best Asset Manager" by EMEA Finance. First Securities received the "Best Broker in Nigeria" award and was named "Leadership Company of the Year" by EXCEL Africa. FirstTrustees was recognised as the "Best Workplace for Women" by Great Place to Work®.

Overall, these recognitions reflect our unwavering commitment to building a future-focused, inclusive, and high-performance culture.

Positioned for the Future
2024 was a landmark year for FirstHoldCo and its subsidiaries. Our strong financial as well as non-financial performance has established a new benchmark for the Group and will serve as our foundation upon which to grow exponentially in the medium-to-the long term.

Looking ahead, most analysts agree that global economic recovery will remain fragile as the world adjusts to Trump 2.0, renegotiated terms of trade as well as moderation in geopolitical tensions subside. Domestically, the expectation is the ongoing economic reforms will begin to yield positive dividends and place the nation on the corrective course to becoming the "African Giant" once again.

> **"As we move through 2025, we are guided by a clear vision, sound strategy, and an unwavering commitment to sustainable value creation for all stakeholders."**

As we move through 2025, we are guided by a clear vision, sound strategy, and an unwavering commitment to sustainable value creation for all stakeholders. We will focus on sustainable growth through expansion in new business adjacencies, innovation, and seamless operational synergies. Our strategic priorities for the year include:

1. Enhancing operational efficiency through streamlined service delivery across digital and physical platforms.
2. Expanding service offerings with cutting-edge financial solutions that meet evolving customer needs.
3. Broadening geographic reach by strengthening our domestic presence and exploring regional opportunities.
4. Optimising customer journeys by enhancing agility, responsiveness, and user experience across all touchpoints.

As One Group, we will build on the momentum of the prior year to deliver exceptional value to our shareholders, customers, and all stakeholders as we navigate the opportunities and challenges ahead. We remain committed to enhancing our operational efficiency and building next-gen capabilities that will propel us to the forefront of the industry.

On behalf of the management team and the dedicated team across FirstHoldCo and its subsidiaries, I extend my deepest appreciation to our customers, regulators, and esteemed shareholders; thank you for believing in our vision. Your trust and commitment to the franchise serve as the foundation for our continued success.

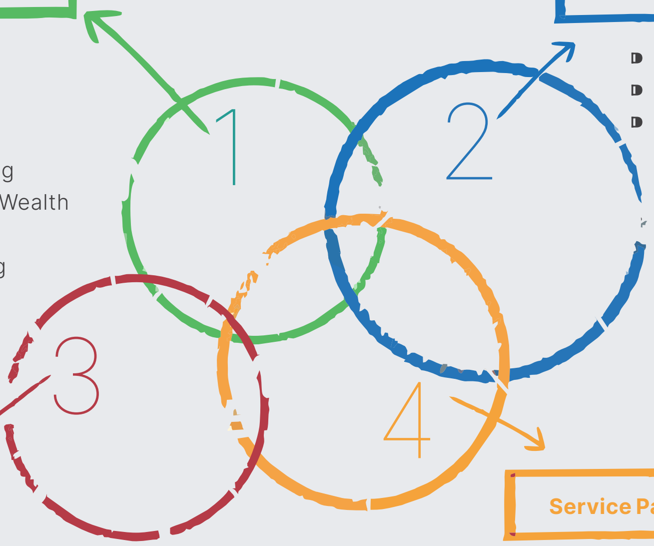
Thank You, and GOD Bless.

'Wale Oyedeji
Group Managing Director
First HoldCo Plc

Business Model

Commercial Banking Group

FirstBank's services are structured into coverage groups, product divisions, asset custody operations, and strategic service partnerships.



Coverage Groups (Strategic Business Units)

- Retail Banking
- Commercial Banking
- Corporate Banking
- Public Sector Banking
- Private Banking and Wealth Management
- International Banking

Product Groups

- Treasury
- Transaction Banking
- E-Business and Retail Products

Custody Businesses

- First Pension Custodian (Pension Custody)
- FirstNominees (Non-pension Custody)

Service Partners

- Strategic Resource Functions

Coverage Groups (Strategic Business Units) 1

- **Retail Banking**

The Retail Banking SBU serves SMEs and individual customer segments. Businesses that are served by Retail Banking SBU typically have an annual turnover of up to ₦8bn. The SBU focuses on meeting the overall needs of its clients by providing regular banking products, wealth management and various personalised and advisory services that enable its customers to perform transactions and achieve their individual and business objectives seamlessly. Over 42.5 million customer accounts are served through a network of over 800 business offices, over 280,000 Agent locations and other digital delivery platforms, such as FirstOnline, FirstMobile, ATMs, POS, QR Code and USSD banking.

Business Model

- **Commercial Banking**

The Commercial Banking SBU serves the middle segment of the Nigerian corporate landscape with an annual business turnover of more than ₦8bn. Customers within this SBU do not meet the corporate banking SBU's classification criteria (they are predominantly unrated and non-investment grade large companies). The SBU's primary objective is to foster an environment conducive to the growth of manufacturing, trade and services businesses, enabling the Bank to achieve its goal of being the established leader in commercial banking. As such, this SBU offers specialised banking products that address the unique needs of Commercial Banking customers. These products include import and export financing, oil and gas contractor financing, manufacturing facility expansion financing, key distributorship financing, agriculture financing schemes, working capital financing and invoice discounting.

- **Corporate Banking**

The Corporate Banking SBU services top-tier, bluechip and multi-jurisdictional institutional clients with proven track records and established corporate governance practices. These customers represent the Bank's largest clients in its target industries (energy, oil and gas, power, mining, services, conglomerates, manufacturing, telecommunications, infrastructure and agriculture). They are typically listed and require a wide variety of sophisticated services, products and product specialisation. As a trusted advisor to these clients, this SBU offers bespoke value-adding financial advisory services, project financing, treasury and foreign exchange services and cash management solutions, among others.

- **Public Sector**

The Public Sector SBU provides specialised banking services to all tiers of government, their respective Ministries, Departments and Agencies (MDAs), as well as foreign government institutions, with emphasis on providing payments and collections services. The SBU also aims to be a strong partner to the government in facilitating economic development projects, achieving transaction excellence by improving internal processes and creating/maintaining an enabling environment for enhanced relationship management across the Public Sector value chain.

- **Private Banking & Wealth Management**

The Private Banking and Wealth Management SBU caters to the banking, lifestyle and wealth management needs of high-networth and ultra-high-net-worth individuals with minimum investible funds of ₦250mn across the Bank's operating jurisdictions. These premium clients are provided with world-class financial services and lifestyles supporting them in their wealth maximisation and preservation objectives. Some of the service and lifestyle offerings include comprehensive offshore banking, remote account opening, dedicated relationship manager and investment advisory, and attractive investment and trading opportunities via a robust and secure digital platform.

- **International Banking**

The International Banking group focuses on driving business growth and profitability for the Bank and its international subsidiaries through efficient supervision and effective balance sheet management strategies. The International Banking SBU maintains a strong relationship with the Corporate Banking SBU to ensure that the Bank's customers who do business in other international markets/countries enjoy seamless and efficient banking services.

Product Groups 2

- **Treasury**

The Treasury group provides custom-made treasury products and services to the relevant customers of the Bank and serves the banking needs of its non-bank financial institution customers.

- **Transaction Banking**

The Transaction Banking group maintains a strong relationship with all the wholesale business units - Corporate Banking, Commercial Banking and Public Sector - to ensure that customers' international trade, cash management and payments and collections needs are met and that they enjoy seamless and efficient banking services.

- **E-Business and Retail Products**

The E-Business and Retail Products group develops and manages the Bank's digital products and retail banking offerings. As one of the product groups in the Bank, it leverages deep customer insights and market intelligence to develop unique digital and retail banking propositions for individual and SME customer segments. The group collaborates with the Retail Banking SBU's coverage teams to deliver the Bank's digital and retail offerings to customers. The group's suite of products includes but is not limited to FirstMobile, FirstOnline, *894# USSD banking, POS solutions, ATMs, QR code, Agent banking solutions, consumer loans, mortgages, credit and debit cards, SME loans and retail liability products.

Custody Businesses 3

First Pension Custodian

First Pension Custodian offers pension fund custody services in accordance with the Pension Reform Act 2014, partnering with Pension Fund Administrators (PFAs) to ensure the growth and safety of pension contributions of Retirement Savings Accounts (RSA) holders. Service offerings include pension contributions collection services, trade settlements, pension and benefit payments, portfolio valuation and micropension schemes specifically tailored to clients' preferences.

FirstNominees

FirstNominees, the non-pension custody arm of the business, provides safekeeping services for non-pension financial assets to minimise the risk of loss. Service offerings include Trade and Transaction Settlements, Income Collection, Cash Management, Reporting Services and Nominee Services.

Service Partners (Strategic Resource Functions) 4

- The Bank has 15 non-market-facing service partner functions or strategic resource functions (SRFs) that support the operations of each SBU by providing various infrastructure and back-office services, such as operations, finance, human resources, legal, information technology and risk management. The SRFs provide the backbone and operational infrastructure to drive efficiency and enhance responsiveness to the Bank's customers. Other SRFs include marketing and corporate communications, internal audit and company secretarial services.

How FirstBank Creates Value

- FirstBank's customer-centric business model, comprises six coverage teams, three product groups, two asset custody businesses, and several service partners, is designed to deliver custom-made products and services that cater to the unique needs of our customers, making them an integral part of our business.
- FirstBank creates and delivers value using cutting-edge technology, providing efficient services across touchpoints and developing great financial services offerings.

[1] Other Strategic Resource Functions (SRFs) include marketing and corporate communications, information technology, business performance monitoring, general services, operations and services, internal audit, internal control and enhancement, legal, and compliance.

Business Model

Investment Banking and Asset Management (IBAM) Group

The Group was previously referred to as FBNQuest, but the names have now been changed in line with the 'First' heritage of the FirstHoldCo Group.

First Asset Management Limited and First Securities Brokers Limited became direct subsidiaries of FirstHoldCo during the year, in alignment with our strategy to reposition our group to lead across all the markets where we operate.

Structure of IBAM Entities and their Businesses

Investment Banking and Structured Products	Asset Management	Trusteeship	Securities Brokerage
• FirstCap Limited • FBNQuest Funds Limited	• First Asset Management Limited	• First Trustees Limited	• First Securities Brokers Limited

Business Divisions and Offerings

Investment Banking	Asset Management	Trusteeship	Securities Brokerage	Agency Services
• Debt Solutions • Capital Markets • Financial Advisory • Structured Products • Alternative Investments	• Mutual Funds • Discretionary Portfolio Management • Customised Investment Solutions	• Private Trust and Executorship • Corporate Trust • Public Trust	• Equity Brokerage services	• Facility agent on syndicated lending transactions, club deals, and project finance transactions.

Description

Investment Banking

1

- **Debt Solutions**
  Structure long-term financing for capital-intensive projects across the public and private sector
- **Capital Markets**
  Provide debt and equity arranging services.
- **Financial Advisory**
  Provide expertise in valuation, deal structuring, corporate advisory and mergers and acquisitions.
- **Structured Products**
  Provide structured 'non-traditional' investment and financing opportunities across multiple asset classes.
- **Alternative Investments**
  Invest in private companies across the alternative investment spectrum with strategic financial solutions such as balance sheet optimisation.

Asset Management

2

- **Mutual Funds**
  Offer eight actively managed and passive funds that target capital preservation, growth, and hedging by investing in local and foreign currency-denominated assets.

  We are expanding our range of offerings in private markets to include an Infrastructure Fund.

- **Discretionary Portfolio Management**
  Build portfolios to meet clients' investment objectives.

- **Customised Investment Solutions**
  Provide synthetic solutions and fully bespoke product structures

Trusteeship

3

First Trustees Limited is the leading trust services provider in Corporate Trust, Public Trust, Private Trust, and Estate Planning, assisting clients in navigating the complexities of life and business while ensuring that their assets and legacies are preserved.

- **Private Trust and Executorship**
  Provide expertise in advising, structuring and managing conventional as well as special-purpose Private Trusts arrangements. We also act as a Family Office for high-net-worth clients, handling all aspects of family assets and businesses.

- **Public Trust**
  Act as Trustees to Unit Trust and Mutual Fund transactions, Government/Municipal Bond issues, as well as in managing and administering financial assets and securities.

- **Corporate Trust**
  Act as Corporate Trustees to Collective Investment Schemes, loan syndications, Note/Bond Issues, and Debenture Trust Arrangements.

Securities Brokerage

4

- Assist clients in capturing investment opportunities in securities trading, equity offerings, securities underwriting, and fixed income.

Agency Services

5

- Act as facility agents to help manage financial transactions between borrowers and lenders in addition to handling the flow of funds between a transacting party.

Clients: Governments, large or mid-tier corporates, financial institutions, ultra-high-net-worth individuals, high-net-worth individuals, family offices, affluent and retail clients.

Locations: Lagos, Port Harcourt and Abuja.

How IBAM businesses create value

Our world-class team, rich heritage of the FirstHoldCo Group, local insights and unrivalled network put us in a unique position within the Investment Banking and Asset Management (IBAM) space. Our broad product platform enables us to cater to our clients' diverse business needs, and our focus on customer-centricity differentiates us from our peers, as we can anticipate and proactively meet our customers' requirements.

Insurance Broking Company

Since its establishment in July 2000, FirstInsuranceBrokers has steadily expanded its client portfolio across several industries. Critical to this success is its expertise in risk assessment, insurance broking, advisory, and comprehensive service delivery. Through strategic partnerships with esteemed organisations, both local and international. The Company consistently strengthens its risk placement capabilities and expertise.

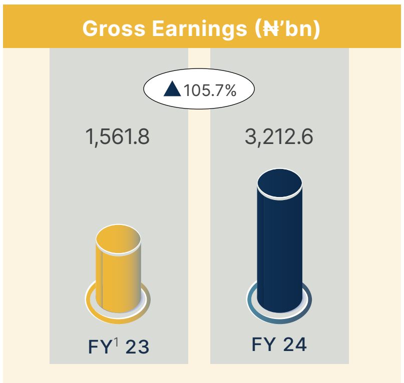
Core Services	How FirstInsuranceBrokers Creates Value
• Insurance Broking • Risk Advisory	With deep knowledge of the insurance market and a strong network of local and international partners, the Company creates value by combining a skilled workforce, a customer-centric approach, and cutting-edge technology to deliver unparalleled services to clients.

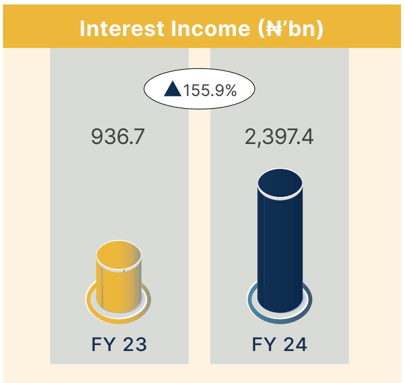
Financial Review

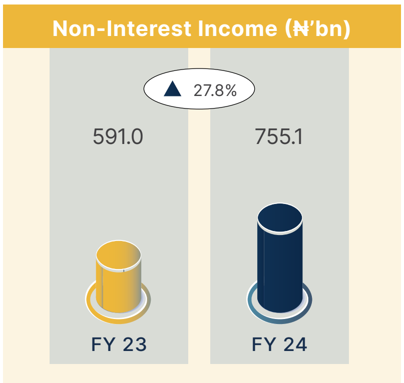
The strong financial performance in 2024 reflects our robust business model, the dedication of our team, and our ability to adapt to a challenging macroeconomic landscape. Remarkably, gross earnings increased by 105.7% year-on-year to ₦3.2tn, interest income was up by 155.9% year-on-year to ₦2.4tn and profit before tax (PBT) of ₦796.5bn was a substantial 123.6% year-on-year increase. Aligned with FirstHoldCo's earnings objectives, non-interest income increased by 27.8% year-on-year driven by a notable 38.2% increase in fee income. These results are testament to the Group's resilience and capacity to deliver value even under difficult operating conditions.

Group Financial Review

Gross earnings increased by 105.7% to ₦3.2tn (December 2023: ₦1.6tn) on the back of robust growth in interest and non-interest income. Interest income was up 155.9% year on year to ₦2.4tn (December 2023: ₦936.7bn) due to the increase in margins on the back of favourable high-interest rate environments and growth in earning assets. Earnings yield increased to 16.9% from 10.4% in the prior year, just as net interest margin improved to 9.9% from 6.1% in 2023. The Group's strong earnings generating capacity was demonstrated with a robust operating income of ₦2.2tn (+89.6% year-on-year). Similarly, profit before tax improved significantly by 123.6% year-on-year to ₦796.5bn (December 2023: ₦356.1bn).

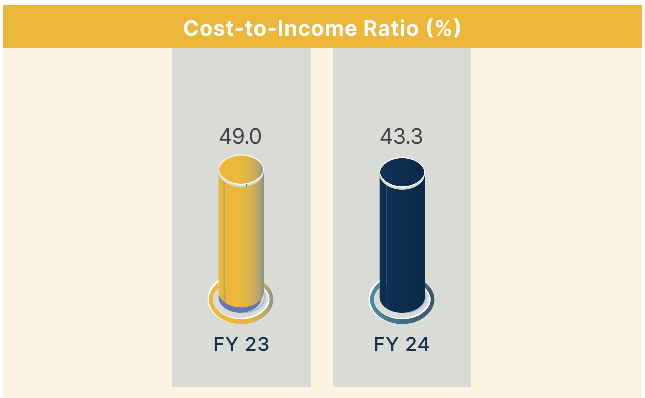






In line with FirstHoldCo's focus on transaction-based offerings, non-interest income was up 27.8% year-on-year driven by an increase in fee income (+38.2% year-on-year), trading and mark-to-market gains (+15.3% year-on-year) and other operating income[2] (+194.1% year-on-year). The fee income growth was underpinned by an increase in electronic banking (+16.1% year-on-year), credit related fees (+167.1% year-on-year) and funds transfer & intermediation (+129.7% year-on-year).

On the back of the high inflationary environment, operating expenses increased, driven primarily by personnel costs in a bid to augment staff welfare. Other key drivers include an increase in maintenance, regulatory costs, advert and corporate promotions. Notwithstanding the growth in operating expenses, strong improvement in operating income more than offset the growth in operating expenses, resulting in an improved cost-to-income ratio of 43.3% (December 2023: 49.0%).



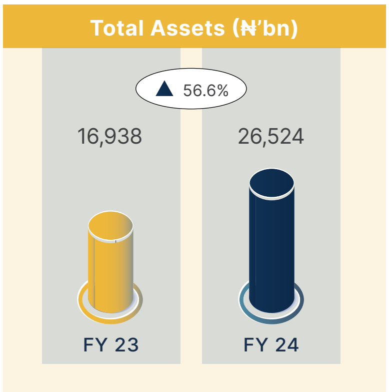
[1] Full Year.

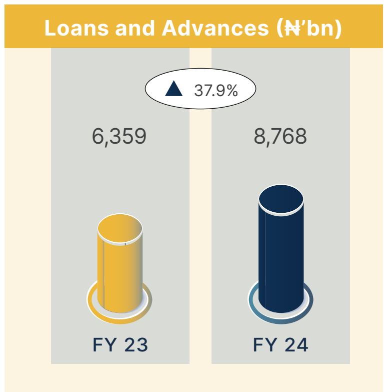
[2] Includes dividend and other operating income.

Financial Review

The Group continued to focus on strengthening its robust funding base, improving customer deposits by 61.0% to ₦17.2tn (December 2023: ₦10.7tn). Specifically, low-cost deposits of FirstBank group strengthened in 2024, increasing by 71.0% to ₦14.8tn providing a well-diversified deposit base and enhancing our strong liquidity management capability. Relatedly, Firstmonie, the agent banking franchise of FirstBank, continues to be the leading bank-led agent banking network in the country, empowering various economic units and deepening financial inclusion with over 280,000 agents nationwide as of December 2024.

Total assets increased by 56.6% to ₦26.5tn (December 2023: ₦16.9tn) driven primarily by loans to customers (+37.9% year-on-year) and investment securities (+133.6% year-on-year). This underscores our ability to identify and optimise market opportunities towards enhancing the overall earnings of our business.





In line with the focus on ensuring quality risk assets portfolio, prompt proactive steps have been taken to ensure a resilient and sustainably strong portfolio as we continue to derisk our loan book. Adjusting for a notable oil and gas client, NPL is in line with expectations. We will continue to bring to bear our strong risk management capabilities following the revamped credit risk architecture and well guided practices towards ensuring a well-managed loan portfolio.

Business Groups:

Commercial Banking

- Gross earnings of ₦3,104.5bn up 107.9% y-o-y[3] (Dec 2023: ₦1,493.3bn)
- Net interest income of ₦1,386.6bn, up 156.5% y-o-y (Dec 2023: ₦540.5bn)
- Non-interest income of ₦682.7bn, up 26.0% y-o-y (Dec 2023: ₦541.9bn)
- Operating expenses of ₦908.7bn, up 68.3% y-o-y (Dec 2023: ₦540.0bn)
- Profit before tax of ₦720.8bn, up 127.3% y-o-y (Dec 2023: ₦317.2bn)
- Profit after tax of ₦599.3bn, up 114.7% y-o-y (Dec 2023: ₦279.1bn)
- Total assets of ₦25.5tn, up 56.6% y-o-y (Dec 2023: ₦16.3tn)
- Customers' loans and advances (net) of ₦8.8tn, up 39.7% y-o-y (Dec 2023: ₦6.3tn)
- Customers' deposits of ₦17.2tn, up 64.0% y-o-y (Dec 2023: ₦10.5tn)

Investment Banking and Asset Management (IBAM)

- Gross earnings of ₦104.2bn, up 62.5% y-o-y (Dec 2023: ₦64.1bn)
- Profit before tax of ₦56.5bn, up 70.7% y-o-y (Dec 2023: ₦33.1bn)
- Total assets of ₦514.9bn, down 23.7% y-o-y (Dec 2023[4] : ₦674.5bn)

[3] Year-on-year.

[4] FY 2023 Total Assets includes FBNQuest Merchant Bank which has been accounted for as a non-current asset held for sale in FY 2024.

Customer Experience and Complaints Management

In 2024, FirstBank achieved significant heights in redefining customer interactions, driven by innovative undertakings and strategic initiatives. Through a holistic reimagining of processes and the adoption of cutting-edge solutions, the Bank has reaffirmed its unwavering commitment to excellence, setting a standard for unparalleled service delivery.

The Bank has driven significant customer-centric innovations through interconnected advancements, including the Relationship Manager (RM) on the Go initiative, which enables personalised, real-time services as well as optimising the RM-to-customer ratio, allowing RMs to manage fewer customers for optimal operations. Additionally, we have introduced digital account opening and QR codes for logging complaints, and providing convenient options to enhance customer satisfaction.

The Fintech Summit highlighted our commitment to fostering collaboration and advancing technological solutions, significantly contributing to strengthening the Bank's leadership in financial innovation and enhancing customer engagement strategies.

The integration of Video Banking, Gen AI through the FirstCustomer platform, and the Diaspora Banking portal has been instrumental in enhancing customer engagement, streamlining account openings, and optimising sales performance tracking through a service monitoring dashboard.

A key focus for 2025 will be to transform customer interactions through the integration of cutting-edge technologies and improved service frameworks by advancing intelligent automation solutions and the optimisation of digital platforms. The foundational work accomplished in prior years has prepared FirstBank to embark on this next phase. With a steadfast commitment to innovation, seamless service, and strategic adaptability, FirstBank is dedicated to redefining customer engagement, harnessing advanced technologies, and continually elevating the experience to address the complexities of the ever-evolving needs of its customers.

Complaints Management

FirstBank is resolutely dedicated to ensuring the highest level of satisfaction for its valued customers. To achieve this objective, the Bank has established a rigorous complaint-handling process designed to ensure that every concern is meticulously acknowledged, investigated, and resolved with the utmost care and attention.

The introduction of the Central Bank of Nigeria's Industry Dispute Resolution System (IDRS) has further improved our capabilities by providing a centralised platform for dispute resolution and chargebacks relating to ATM, web, and POS transactions. Additionally, our system facilitates automatic reversals for failed transactions, expedites the resolution of customer complaints through dedicated teams, and conducts comprehensive root-cause analyses to mitigate future occurrences.

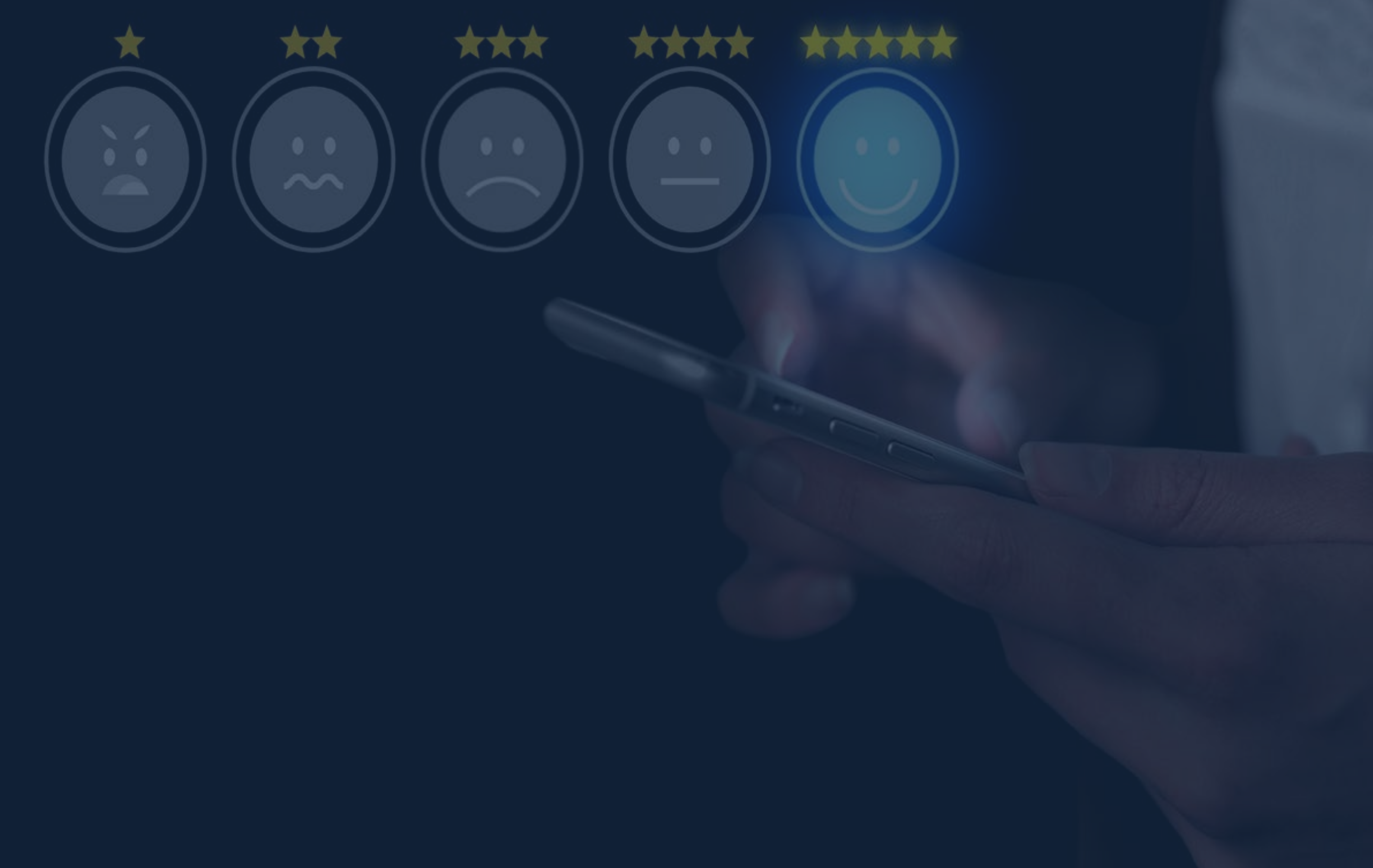
A notable reduction in unresolved complaints and overall grievances evidences our commitment to customer satisfaction. The Bank remains steadfast in its pursuit of delivering exceptional complaint resolution services, reinforced by a zero-tolerance policy for complaint concealment and an increased focus on service recovery to enhance the overall customer experience.

A detailed account of complaints handled in 2024, compared with 2023, along with the financial implications for the Bank, is presented in the table below:

Customer Complaints received in 2024

S/N	Description	Number		Amount Claimed (₦)		Amount Refunded (₦)	
		2024	2023	2024	2023	2024	2023
1	Pending complaints brought forward	**21,222**	87,255	**813,271,389.29**	2,115,608,644.11	**-**	-
2	Received complaints	**1,142,207**	2,205,795	**54,956,542,538.23**	77,571,022,674.93	**-**	-
3	Resolved complaints	**1,144,199**	2,271,828	**54,881,896,734.55**	78,873,359,929.75	**4,207,799,447.33**	30,215,905,457.34
4	Unresolved complaints escalated to CBN for intervention	**-**	-	**-**	-	**-**	-
5	Unresolved complaints pending with the Bank carried forward	**19,230**	21,222	**887,917,192.97**	813,271,389.29	**-**	-

Customer Experience and Complaints Management



Our Objectives for 2025 are:

1. Drive personalised customer experiences to maximise lifetime customer value by leveraging advanced artificial intelligence and cutting-edge digital platforms.
2. Revolutionise customer journeys across key front and back-end processes to enhance overall customer satisfaction.
3. Equip coverage teams with next-generation digital tools to drive high-impact customer interactions to foster customer loyalty and retention.
4. Articulate and implement FirstBank's transformative customer experience vision to be the gold standard for excellence within the industry.
5. Digitise and enable mobile self-service for core retail services to further improve customer experience.

Corporate Responsibility and Sustainability

FirstHoldCo integrates sustainability across all operations, seamlessly transforming Environmental, Social and Governance principles into strategic opportunities that drive innovation and generate long-term stakeholder value.

Empowering Our People

Summary of the Group People Agenda

The Group continues to emphasise the vital role that 'our people' play in achieving superior business performance and sustaining competitive advantage. The Group remains steadfast in its commitment to fostering a high-performance culture while enhancing the employee value proposition through the alignment of People Strategies with business priorities.

By implementing innovative programmes and policies, the Group prioritises talent acquisition, employee engagement, leadership development, and diversity and inclusion, ensuring that the workforce remains agile and future-ready. Over the 2024 financial year, the human capital function remained synergistic in its approach to people management to support the attainment of business objectives. The People Agenda is driven along the following imperatives:

1.0 Strategic Imperatives		
Talent Management	**Culture and Engagement**	**Employee Value Proposition**
Robust framework to support overall Talent Management Agenda:	Organisational culture ecosystem to drive employee engagement productivity:	Strong employee value proposition to reinforce our stance as a 'Great Place to Work' and 'Employer of Choice':
Talent Attraction and Sourcing	Culture Transformation Programmes driven by Core Values	Structure Career Development Frameworks
Talent Nurturing and Development	External and Internal Assessment, Employee Surveys and Pulse Checks	Corporate Wellness Agenda
Talent Retention	Employee 'Share of Voice', Town hall/Village meetings, HR clinics, Bonding Programmes	Work Life Integration Programmes
		Inclusive and Diverse Workplace Programmes

These strategic imperatives have been appropriately dimensioned to ensure that all components of our People Agenda are mutually reinforcing, thereby fostering an innovative, agile and high-performance work environment.

2.0 Strategic Imperatives and Achievement

2.1 Talent Management

The FirstHoldCo Talent Management (TM) agenda is predicated on optimising human capital and maximising return on investment through the implementation of best-in-class strategies customised to attract, develop, motivate, and retain talent in alignment with our strategic objectives. This TM agenda has effectively fostered a high-performance environment.

a. **Talent Attraction and Sourcing:** Talent sourcing strategies have been meticulously developed to ensure a positive candidate experience at various touchpoints, incorporate a competency-based recruitment and selection process, and provide structured onboarding programmes.

i. **Pan African Graduate Trainee Programme:** A total of 512 graduates were enrolled in the graduate trainee programme as part of our strategy to build a robust talent pipeline for entry-level candidates to feed into our business locations across Nigeria and the sub-Saharan African subsidiaries – resulting in a total of 559 graduates.

ii. **Experienced Hire Recruitment:** In Nigeria, 1,659 employees were successfully recruited, with an additional 483 recruited across our subsidiaries across various geographies.

Empowering Our People

iii. **Group Corporate Induction Programmes:** These programmes are implemented for all new hires across the Group to facilitate seamless integration into the organisation.

iv. **Function-Specific Boot Camps:** These camps are designed to drive talent readiness for filling vacancies effectively.

v. **Campus Programmes, Executive Internship Programmes and Partnerships:** The Group offers executive internship programmes and establishes partnerships to strengthen talent acquisition efforts.

b. Talent Nurturing and Development: This initiative is underpinned by a robust career and capability development framework aimed at building a strong talent base and future-ready workforce.

i. **Leadership Development:** This stems from the commitment to reinforce our talent bench strength. The key programmes were implemented across all workforce categories and segments – junior, middle and senior management. Some of these are the Senior Management Development Programmes, Management Acceleration Programmes, New Manager Programmes, and Supervisory Development Programmes.

ii. **Capability Development:** An array of programmes has been established on the back of our competency-based learning and development frameworks aimed at upskilling and reskilling for enhanced productivity, which includes the introduction of a Sales Academy Programme and a Technology Academy.

iii. **Performance Management:** Robust systems have been developed to support performance management and potential assessment, complemented by remedial programmes.

iv. **Succession Management:** Employed comprehensive succession models and interventions focused on talent transitions and succession readiness, thereby fostering a future-ready workforce.

c. Talent Retention: The primary objective is to reinforce the Group's commitment to providing a great place to work, thereby enhancing employee morale and productivity.

i. **Total Reward System:** Adopted an integrated approach to incentivise our talents by implementing competitive pay structures to suit the growing needs of the various workforce segments.

ii. **Career Development Paths:** The framework encompasses well-defined job families, career progression timelines, and established career tracks.

iii. **Coaching and Mentoring Programmes:** These programmes serve as effective developmental interventions, incorporating methodologies such as executive coaching, reverse mentoring and mentoring cycles.

iv. **Personal and Professional Development:** This is supported by a variety of incentives that further underscores the Group's commitment to personal development. These incentives include education loans, education/study leave, and tuition reimbursement/ incentives.

v. **Commendation and Recognition Scheme:** This initiative recognises employees who demonstrate exceptional performance within their scope of work or have made significant contributions to special projects and assignments.

2.2 Culture and Engagement

At FirstHoldCo, our culture is defined as the Group's shared system of beliefs aligned with our 'EPIC' core values. In the full year 2024, we embarked on culture transformation programmes aimed at internalising our overarching core ideology and rationale to sustain a unified corporate culture across the Group.

i. Culture Transformation Project: This initiative is rooted in our values of Entrepreneurship, Professionalism, Innovation and Customer-centricity (EPIC) and seeks to achieve the following objectives:

a. Driving the alignment of culture across the Group

b. Entrenching agility and innovation in delivering exceptional customer service

c. Promoting a culture of openness, transparency, fairness, respect for others, customer centricity and goal orientation

ii. Surveys and Impact Assessments: Participated in both internal and external assessments to measure the impact of our workplace practices and culture programmes. These included:

a. Employee engagement surveys

b. Workplace practice and culture audits

c. Internal employee pulse surveys

2.3 Employee Value Proposition

Our Employee Value Proposition (EVP) comprises a set of critical enablers aimed at fostering an inclusive and growth-oriented work environment emphasising a human-centred employee experience. This proposition further reiterates our stance as a great place to work and employer of choice, making every employee feel valued and included.

i. **Career Development:** We prioritise employee career growth through cross-functional knowledge sharing and career progression.
   a. **Group Mobility:** Our organisational structures and policies promote fluid movements across the Group.
   b. **Career Management:** We have established frameworks that guide career paths/tracks, job families and career progression.
   c. **Work Assignments:** We provide opportunities for secondments, cross-postings, job shadowing, and short-term assignments.

ii. **Diversity and Inclusion Practices:** Our approach transcends mere policies but signifies our steadfast commitment to cultivating a diverse and inclusive environment integrated into every facet of the talent lifecycle. We are dedicated to creating an environment where all employees, irrespective of their background or identity, can thrive and achieve their potential.
   a. **Equal Opportunity Employer Stance:** Our commitment as an Equal Opportunity Employer transcends policy; it represents our guarantee to treat all employees without discrimination, thereby fostering a work environment where everyone feels secure and respected.
   b. **Affirmative Action Measures:** We have established a framework to mitigate discrimination and unconscious bias along the HR value chain, which includes recruitment, performance and reward management, promotions, appointments, career development and training.
   c. **Networks:** We facilitate initiatives such as the Women's Network to reinforce our leadership commitment to a gender-inclusive environment.

iii. **Employee Volunteerism:** We actively support community outreach programmes and corporate social responsibility initiatives.

iv. **Employee Share of Voice:** We value employee input and have developed various platforms to hear their voices, including CEO webcasts, Town Hall meetings, and focus group sessions. These initiatives allow us to gather feedback on various operational aspects, guiding informed decision-making that benefits our workforce.

v. **Employee Health and Well-being:** Our dedication to employee well-being is reflected in our comprehensive corporate wellness programmes, which include:
   a. Local and international health insurance schemes
   b. Preventive health programmes, including lifestyle initiatives and fitness campaigns
   c. On-site clinic and gym facilities
   d. Employee assistance support platforms

vi. **Flexible Work Options:** Recognising the importance of work-life balance, we have maintained various flexible work arrangements to accommodate the diverse needs of our workforce. These options include hybrid work models, flexible work hours, and hot desk facilities.

vii. **Employee Bonding Programmes:** We promote inter-team, subsidiary, and group activities to strengthen relationships across the organisation.

viii. **Commendation and Recognition Schemes:** These programmes recognise and reward exceptional performance and contributions within the organisation.

3.0 Outlook

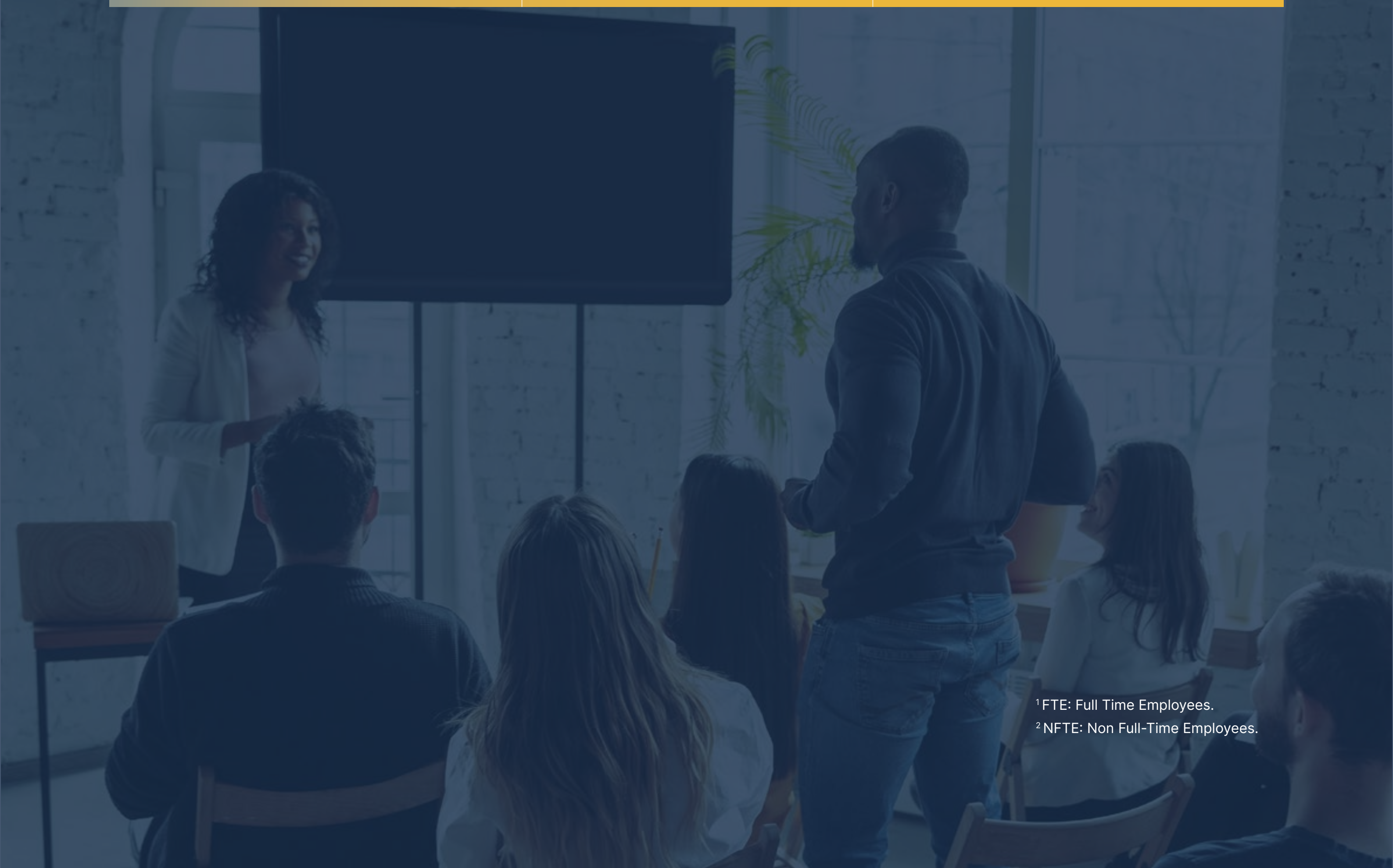
The next frontier of our People Agenda and Workforce Strategy will focus on enhancing our EVP, scaling digital HR innovation and fostering a hybrid, agile and skill-based workforce. Now more than ever, the establishment of a dynamic work environment remains essential to support business goals while promoting increased employee engagement, growth and productivity.

Empowering Our People

4.0 Workforce Demography

Head Count	Gender Distribution	Average Age
FTE[1]: 10,241 NFTE[2]: 11,742	Male: 59% Female: 41%	37.3 years

Workforce Generation	Group Employee Engagement Index	Total Number of New Hires
Baby Boomers: 0.3% Gen X: 26.2% Millenials: 58.6% Gen Z: 14.9%	82%	2,168



[1] FTE: Full Time Employees.
[2] NFTE: Non Full-Time Employees.

Digital Banking Solutions

Staying Ahead in Nigeria's Evolving Financial Landscape

Outstanding Performance in 2024 amidst Challenges

Despite the challenges facing Nigeria's financial services sector, FirstBank had an impactful year in 2024, leveraging its digital infrastructure to meet the growing demand for digital transactions. Our digital customer base exceeded 25 million, marking a significant milestone.

According to transaction data from the Nigeria Interbank Settlement System (NIBSS), FirstBank led the industry in the volume of interbank transactions, processing 963 million transactions—accounting for approximately 9% of all interbank transactions on the NIBSS platform and 21% of the interbank transactions processed by Nigerian commercial banks. Additionally, the Bank maintained a dominant presence on the Interswitch Front End Processor platform, holding a 20% market share. In 2024, FirstBank disbursed loans amounting to over ₦280bn across 7.4 million transactions via its digital channels.

Enhancing Digital Banking with FirstMobile and FirstOnline

FirstBank continues to push the boundaries of digital banking, consistently delivering secure, user-friendly solutions to its customers. In the year under review, it deployed a series of updates on its flagship mobile banking app, FirstMobile, aimed at improving customer experience. New features introduced on the App include the ability to subscribe for more shares in the FirstHoldCo rights issue sale, control balance visibility, track card delivery, and access electricity meter token details on receipts.

Furthermore, fraud prevention measures were implemented to bolster cybersecurity, safeguarding transactions on the mobile App. The FirstOnline platform also implemented significant updates, solidifying its competitive edge in the market and serving individual customers, SMEs, and corporate entities alike.

These improvements translated into a 12% year-on-year growth in the platforms' customer base. Cumulatively, FirstMobile and FirstOnline processed over 730 million transactions valued at ₦67tn, reflecting a 12% increase in transaction volume and a 60% rise in transaction value compared to the previous year. This performance underscores our ongoing commitment to delivering innovative financial solutions.

Dominating the USSD Banking Space through *894#

The *894# Banking service remains one of FirstBank's most widely adopted digital channels. With its user base hitting 16.2 million in 2024, the service remains the most preferred channel for easily accessible payments in the country. Customers continued to actively engage with this channel throughout the year, with transaction value averaging ₦490bn monthly, an increase from ₦450bn in the previous year. Also, the service facilitated the opening of over 150,000 new accounts and enabled the disbursal of approximately 5.6 million consumer loans valued at ₦100bn in 2024.

Expanding ATM Services and Accessibility

FirstBank's expansive ATM network remains a key service hub for customers and the broader banking public. With over 3,000 ATMs in operation by the end of 2024, FirstBank remains the Bank with the largest ATM fleet in the country. Our ATMs dispensed ₦600bn from over 50 million transactions in 2024, further confirming the convenience and reliability of this service point.

Innovating Payment-Acquiring Channels

In 2024, FirstBank continued to enhance its payment acceptance capabilities, optimising its Biller Aggregation Platform (BAP) to improve ease of payments for customers. By year-end, there were a total of 1,385 billers, with ₦184bn in value processed in 112 million transactions—marking a 20% year-on-year increase in transaction value. We are actively developing innovative payment-acquiring solutions to offer more payment options to small businesses, corporates and third-party businesses, streamlining collections and payments.

Driving Financial Inclusion through FirstMonie Agency Banking

FirstBank has remained steadfast in its commitment to advancing financial inclusion through a list of channels and platforms - the FirstMonie Agency Banking scheme features prominently on the list. Launched several years ago, the scheme helps to provide affordable, formal financial services in underserved areas, offering banking solutions such as cash deposits, withdrawals, bill payments, fund transfers, and account opening where traditional bank branches are not present. By the end of 2024, FirstMonie agents were present in 772 of Nigeria's 774 local government areas, contributing significantly to the country's economy through financial empowerment, employment (direct and indirect), etc.

In 2024, the Bank expanded its network of FirstMonie agents by 19%, growing from 235,000 agents in 2023 to over 280,000. The scheme processed about 290 million transactions valued at over ₦12tn, with a significant portion coming from previously unbanked or underserved customers.

For more details on our Agent locations, please visit FirstMonie. https://www.firstbanknigeria.com/wp-content/uploads/2021/03/firstmonie-agents.pdf

Expanding Digital Lending Services

FirstBank continues to leverage digital technology to extend credit to Nigerians, increasing access to essential loans for individuals and businesses. Through products like FirstAdvance, FirstCredit, and Agent Credit, the Bank has provided financial support to customers across various segments.

In 2024, FirstBank disbursed ₦280bn in over 7.4 million transactions through its digital lending products. In the same year, the number of unique customers who have benefited from these offerings since the launch in 2019 has reached 1.5 million. This performance is a testament to the Bank's effort to make credit more accessible to individuals and businesses throughout Nigeria.

Reporting Standards, Principles and Framework

FirstBank is a signatory to various international and national reporting standards and principles that govern its sustainability initiatives, programmes, activities and actions. Notable among these standards and principles are the Global Reporting Initiative (GRI) Standards, the Nigerian Sustainable Banking Principles (NSBP), the United Nations Global Compact (UNGC) Principles and the United Nations Sustainable Development Goals (SDGs).

Global Reporting Initiative Standards

The GRI Standards are the world's most widely used sustainability reporting framework. They enable organisations to measure, manage, and disclose their economic, environmental, social, and governance (ESG) performance.

FirstHoldCo has adopted the GRI Standards since 2016, reinforcing its commitment to transparency and sustainable business practices.

United Nations Global Compact Principles

As a member of the UNGC, FirstHoldCo aligns its strategic objectives with the initiative's ten principles, which cover human rights, labour, environment, and anti-corruption measures. The Group ensures compliance across all subsidiaries and submits its annual Communication on Progress (CoP) Reports to affirm its commitment to these principles.

Nigerian Sustainable Banking Principles

The NSBP consists of nine principles established to promote positive developmental impacts on society while protecting the communities and environments in which financial institutions and their clients operate. Following the approval of the NSBPs by the Central Bank of Nigeria (CBN) and the Bankers Committee, FirstBank, in partnership with other financial institutions within the NSBP Implementation Network, has actively implemented these principles.

United Nations Sustainable Development Goals

The SDGs represent a comprehensive global framework for sustainable development, guiding governments, businesses, and organisations towards long-term social and economic progress.

FirstHoldCo has integrated seven key SDGs into its operational framework, aligning its business activities with global sustainability priorities. These goals include SDG 2 (Zero Hunger), SDG 3 (Good Health and Well-being), SDG 4 (Quality Education), SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth), SDG 13 (Climate Action), and SDG 17 (Partnerships for the Goals). Through targeted initiatives and strategic partnerships, the Group continues to effectuate meaningful impact in these designated focus areas.

Sustainability Report

Environmental, Social and Governance Sustainability Overview and Approach

At FirstHoldCo, sustainability is intrinsic to our mission to generate enduring value for all our stakeholders. We are deeply committed to meticulous management of our Environmental, Social, and Governance (ESG) risks to ensure the negative impacts on our workplace, marketplace, communities, and the environment are minimised. Beyond merely mitigating risks, we actively seek to transform ESG challenges into opportunities that drive innovation, resilience, and growth across our operations, credit decisions, and investment strategies.

Our sustainability approach is anchored on Citizenship, Stakeholder Management, and Impact Management. As a responsible corporate citizen, we strive to uphold the highest standards of ethical engagement with our employees, society, and the environment, guaranteeing that our actions make meaningful contributions to the well-being of the communities we serve. Through our stakeholder management efforts, we prioritise understanding the evolving needs and priorities of our stakeholders, fostering collaboration and trust to address these needs effectively and create shared value.

Central to our sustainability journey is our focus on impact management. We are dedicated to minimising or eliminating any adverse societal and environmental impacts arising from our operations while simultaneously maximising and enhancing positive outcomes. This dual focus ensures that our activities not only align with global sustainability goals but also contribute to the long-term prosperity of the communities in which we operate.

FirstHoldCo is resolute in its commitment to advancing sustainable socio-economic development. By embedding ESG principles into every facet of our decision-making, we aim to lead the way in inclusive, sustainable finance, delivering transformative outcomes that benefit our stakeholders, society, and the planet. Our approach is designed to not only meet the demands of the present but also to build a resilient, equitable, and sustainable future for generations to come.

Stakeholder Engagement at FirstHoldCo

Stakeholder engagement is a cornerstone of FirstHoldCo's sustainability strategy, playing a vital role in the successful implementation of our initiatives. We recognise that without meaningful and effective engagement, our understanding of stakeholders' needs, priorities, and concerns would lack the depth and strategic insight required to drive impactful decision-making. By promoting open, transparent, and consistent communication, we strengthen our ability to connect with stakeholders, build trust, and cultivate inclusive, mutually beneficial relationships.

This proactive approach to stakeholder engagement enables us to gain a comprehensive understanding of their expectations, interests, and challenges, which in turn informs and enhances our decision-making processes. By integrating stakeholder perspectives into our strategies, we ensure that our actions align with their needs and contribute to sustainable value creation. Ultimately, this collaborative approach not only strengthens our relationships with stakeholders but also leads to more informed, inclusive, and impactful outcomes that support the long-term success of the Group and the communities we serve.

Our Stakeholder Engagement Approach

Our stakeholder engagement approach comprises various mechanisms, including stakeholder workshops, one-on-one meetings, focus group sessions, which were conducted either virtually or physically in 2024, contingent upon the specific stakeholder group. The Group's approach to stakeholder engagement in 2024 relied on the AA1000 Stakeholder Engagement Standard*.

Mapping Our Stakeholders

In 2024, the Group maintained engagement with six distinct categories of stakeholders: employees, customers, investors/shareholders, regulators, communities, and suppliers. Each category plays a distinctive role within the Group's ecosystem.

*The AA1000 Stakeholder Engagement Standard (SES) is a globally recognised framework that guides organisations in effectively engaging with their stakeholders to address sustainability challenges and improve performance.

FirstHoldCo Stakeholder Mapping

Stakeholder Group	Engagement Objective	Key Activities	Channels
Employees The Group places great value on building an engaged, empowered, and high-performing workforce. As a result, the Group is dedicated to fostering a positive and supportive workplace environment where employees feel valued, motivated, and equipped to achieve their full potential.	• **Drive Performance Excellence:** Engaged employees are more focused and productive, contributing directly to achieving organisational goals. • **Enhance Team Morale:** A motivated workforce fosters a collaborative and positive atmosphere, which reduces stress and improves team dynamics. • **Minimise Employee Turnover:** By addressing employees' needs and goals, loyalty is built, recruitment costs minimised and top talent retained. • **Foster Creativity and Innovation:** Engaged employees are more likely to contribute new ideas and innovative solutions, propelling the organisation forward. • **Improve Communication Channels:** Open and transparent engagement ensures that everyone aligns with the Group's vision and mission, minimising miscommunication and inefficiencies. • **Strengthen Organisational Culture:** Actively engaged employees reinforce common values, resulting in a more unified and purpose-driven workforce. • **Elevate Customer Satisfaction:** Employees who feel connected to the organisation deliver better service, leading to stronger customer relationships. • **Adapt to Change Effectively:** Engaged employees are more resilient and adaptive, making it easier for the entity to navigate change. • **Promote Health and Well-being:** A supportive workplace improves physical and mental health, reducing absenteeism and boosting energy levels. • **Achieve Business Success:** Engaged employees are invested in the Group's success, aligning their efforts with its strategic goals. By prioritising employee engagement, we ensured a workforce that is not only skilled and motivated but also dedicated to driving the Group's long-term success and delivering exceptional value to our stakeholders.	Leadership trainings, wellness initiatives, and recognition programmes.	• **Internal Communication:** Regular town halls, newsletters, and intranet platforms to update employees on corporate developments. • **Training and Development:** Customised learning programmes, leadership development initiatives, and mentorship opportunities. • **Feedback Mechanisms:** Employee surveys, focus groups, and suggestion boxes to gather insights and address grievances. • **Employee Recognition:** Award ceremonies, performance bonuses, and recognition programmes to acknowledge and reward excellence. • **Wellness Programmes:** Health initiatives, counselling services, and work-life balance programmes to promote well-being.

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Stakeholder Group	Engagement Objective	Key Activities	Channels
Customers At the core of our operations are our valued customers, whose requirements and goals drive our innovation and shape our product and service offerings. As a Group, we are committed to fully comprehending customers' specific needs, allowing us to offer innovative financial solutions designed to support their financial success. This unwavering focus on customer-centricity serves as the foundation of our core values (EPIC)*, ensuring long-term relationships and shared success.	• **Enhance Satisfaction:** By actively listening and responding to customer needs, we create positive experiences that foster trust and loyalty. • **Gather Insights:** Engaging with customers provides insightful feedback, allowing us to better understand market trends and anticipate evolving demands. • **Drive Revenue Growth:** Customer satisfaction and engagement lead to increased sales and business expansion. • **Improve Product/Service Development:** Customer feedback enables us to refine existing offerings and design innovative financial solutions tailored to their requirements. • **Strengthen Brand Reputation:** By delivering exceptional service, the Group reinforces its leadership position, and reputation as a trusted partner, thereby improving our brand image. • **Reduce Churn:** Engaged customers are less inclined to switch to competitors, resulting in long-term retention and stability. • **Enable Personalisation:** Understanding customer preferences allows us to offer bespoke experiences and develop deeper connections. • **Increase Customer Lifetime Value:** Building strong relationships drives recurring business and long-term engagement, increasing customer value over time. • **Support Community Building:** Engaging customers encourages a sense of belonging, transforming transactional relationships into meaningful partnerships. Through a steadfast commitment to customer engagement, we strive to exceed expectations, inspire loyalty, and deliver values that resonate with our purpose of driving financial success for all. This approach not only promotes mutual development and growth but also fortifies the foundation of trust and collaboration that underpins our Group.	Financial literacy programmes, products/service improvements, proactive communication and engagements.	• **Service Touchpoints:** Branch visits, digital banking platforms, and 24/7 contact centres as well as complaint lines (FirstContact and dedicated e-mail addresses) for seamless interactions. • **Feedback Channels:** Satisfaction surveys, online reviews, customer engagement fora and feedback forms to gather insights. • **Financial Literacy Programmes:** Workshops and campaigns to educate customers on personal finance management. • **Proactive Communication and Engagements:** Regular updates through emails, SMS, mobile apps, social media platforms (Facebook, Instagram, LinkedIn, X/Twitter, YouTube), and advertising activities through conventional media.
Shareholders/ Investors Our relationship with investors is rooted in consistent and meaningful engagement, fostering an environment that supports informed decision-making and strengthens mutual trust.	• **Build Trust:** Regular communication and accountability boost confidence in our leadership and dedication to sustainable growth. • **Ensure Transparency:** Openly sharing financial performance, strategies, and risks allows investors to make informed decisions. • **Facilitate Feedback:** Engaging with investors provides valuable insights that shape our strategies and improve our performance. • **Attract and Retain Investors:** Consistent engagement boosts investor confidence, encourages both existing and potential investors to support the Group.	Conference calls, quarterly results, investor meetings AGMs, conferences.	• **Investor Relations Platforms:** Dedicated investor portals and hotlines for real-time information. • **Corporate Disclosures:** Annual reports, quarterly earnings calls, press releases and investor presentations.

* EPIC - Entrepreneurial, Professionalism, Innovative, Customer-Centric.

Stakeholder Group	Engagement Objective	Key Activities	Channels
As a Group, we prioritise open communication and transparency to ensure that investors have a clear understanding of our operations, strategies, and long-term goals.	• **Mitigate Risks:** Proactive communication allows investors to understand potential challenges, which reduces uncertainty and ensures stability. • **Enhance Reputation:** A strong and robust, investor-focused approach reinforces the Group's credibility and positions us as a reliable partner in the financial markets. • **Promote Market Stability:** Engaging with investors reduces speculation and misinformation, resulting in a more stable investment environment. • **Support Capital Raising:** A transparent and trusting relationship with investors facilitates access to funding for growth and expansion. • **Deepen the Pool of Capital:** Positive relationships with investors attract a wide spectrum of stakeholders, creating a consistent, steady and reliable capital base. Prioritising investor engagement not only strengthens relationships but also fosters an ecosystem of trust, stability, and mutual success. This approach aids the Group in accomplishing its goal of driving sustainable growth while delivering long-term value to our investors and stakeholders.		• **One-on-One Engagements:** Personalised meetings and dialogues with institutional investors. • **Meetings, Roadshows and Conferences:** Participation in forums to showcase the Group's achievements. • **ESG Reporting:** Regular updates on environmental, social, and governance performance.
Regulators We actively engage with regulatory bodies through open and constructive communication, promoting collaboration for a smooth navigation of the regulatory landscape. These interactions are essential for building a foundation of mutual trust and understanding, which supports the Group's compliance and growth goals.	• **Ensure Compliance:** Regular communication reduces the risk of noncompliance and penalties by keeping us in line with regulatory standards and requirements. • **Facilitate Understanding:** Clear and transparent communication ensures regulators understand our business operations, goals, and challenges. • **Build Relationships:** Positive engagement with regulatory authorities increases confidence and collaboration. • **Enhance Reputation:** A strong relationship with regulators strengthens our standing as an accountable and reliable organisation. • **Prevent Conflicts:** Proactive engagement helps to address potential concerns early, reduces conflict and disputes, and increases goodwill. • **Provide Insight on Policy Development:** Engaging with regulators allows us to contribute valuable perspectives that shape fair and effective policies. • **Gain Insights:** Dialogue with regulators provides clarity on emerging regulatory trends and expectations, allowing us to remain ahead of the curve. • **Mitigate Risks:** Strong regulatory relationships reduce uncertainty and support risk management efforts across the Group.	Regulatory filings and compliance audits	• **Compliance Audits:** Regular reviews to ensure adherence to regulations. • **Industry Forums:** Participation in consultations and policy development initiatives. • **Periodic Reporting:** Submission of regulatory filings and operational updates. • **Collaborative Initiatives:** Joint programmes to enhance financial literacy and inclusion. • **Stakeholder Dialogues/Meetings:** Open channels for communication on industry developments.

Sustainability Report

Stakeholder Group	Engagement Objective	Key Activities	Channels
	• **Enhance Credibility:** Our commitment to regulatory compliance and collaboration improves our standing with stakeholders and the public. Maintaining strong and collaborative relationships with regulatory bodies not only ensures compliance but also contributes to a stable and transparent regulatory environment. Our dedication to conducting business ethically, responsibly, and in the best interests of all stakeholders is congruent with this proactive approach.		
Communities We are committed to making a meaningful and long-term impact on the communities we serve by promoting a sustainable and inclusive future. Through active engagement and corporate social responsibility (CSR) initiatives, we aim to drive positive transformation and empower progress.	• **Build Goodwill:** Building stronger relationships with communities promotes trust, loyalty, and mutual support. • **Enhance Brand Image:** Active community involvement demonstrates our dedication to social responsibility, reinforcing a positive perception of the Group. • **Address Social Issues:** By collaborating with communities, we can identify and address pressing challenges, thereby contributing to and improving social well-being. • **Promote Sustainability:** Engaging in initiatives that protect and preserve the environment and encourage resource efficiency ensures a better future for generations. • **Mitigate Risks:** Proactive community engagement reduces the risk of conflicts and misunderstandings, fostering a peaceful and harmonious workplace. • **Drive Innovation:** Collaborating with communities provides fresh perspectives and ideas, inspiring innovative solutions to common challenges. • **Support Local Development:** Investments in education, infrastructure, and entrepreneurship empower communities, boosting local economies and quality of life. By engaging with the communities we serve, we align our corporate goals with societal progress, resulting in shared values that are mutually beneficial to both the organisation and the larger community. This approach underscores our commitment to being a responsible corporate citizen and a driving force for positive and constructive change.	Drive positive societal impact and support sustainable development	• **Education Programmes:** Scholarships, school renovations, and literacy campaigns. • **Health Initiatives:** Medical outreach, and health education. • **Environmental Projects:** Waste management, tree planting, and renewable energy initiatives. • **Volunteerism:** Employee-led community service and advocacy programmes. • **Local Sponsorships:** Support for cultural, sports, and developmental projects.

Stakeholder Group	Engagement Objective	Key Activities	Channels
Suppliers Our engagement with suppliers is a cornerstone of our operations, ensuring a fluid and efficient supply chain while promoting mutual growth and innovation.	• **Ensure Quality and Reliability:** Working closely with suppliers ensures consistent delivery of high-quality products and services, which is essential for customer retention and operational success. • **Promote Sustainability:** Engaging suppliers who value ethical practices and respect sustainability is consistent with our commitment to environmental and social responsibility. • **Drive Innovation:** Collaborative relationships with suppliers encourage the development of cutting-edge technology and innovative solutions that enhance our product and service offerings. • **Improve Risk Management:** Close communication and partnership with suppliers aid in identifying potential risks in the supply chain, allowing for proactive mitigation strategies and solutions. • **Enhance Operational Efficiency:** Strong supplier relationships simplify processes, reduce delays, and optimise supply chain efficiency. • **Strengthen Relationships:** Building trust and mutual respect among suppliers lays the groundwork for long-term collaboration and shared success. • **Ensure Regulatory Compliance:** Collaborating with suppliers ensures compliance with industry regulations and standards, minimising legal and reputational risks. • **Encourage Competitive Pricing and Cost Management:** Transparent engagement with suppliers helps to negotiate fair pricing, control costs, and achieve value for money. • **Facilitate Market Intelligence:** Suppliers provide valuable insights into market trends, which help us stay ahead in a competitive landscape. • **Boost Brand Reputation:** Partnering with reputable and reliable suppliers enhances our brand image and reinforces customer trust. By engaging suppliers effectively, we not only secure the resources required to achieve operational excellence, but also build a resilient, robust and sustainable supply chain that supports our strategic goals and strengthens our market position.	Build resilient, efficient and sustainable supply chain	• **Transparent Procurement Processes:** Open tenders and competitive bidding. • **Supplier Assessments:** Regular evaluations of performance and compliance. • **Capacity Building:** Training programmes to enhance supplier competencies. • **Sustainability Partnerships:** Collaboration on eco-friendly initiatives. • **Fair Payments:** Prompt resolution of invoices and disputes.

Sustainability Report

Our Commitment to Sustainability/ESG

FirstHoldCo's sustainability strategy is driven by four key pillars:

Sustainable Finance and Investment: FirstHoldCo considers sustainable finance and investment a fundamental principle. As a financial institution, the integration of ESG risks into our products and offerings is paramount, from the ideation phase to development. We have effectively ensured that ESG risks are integrated into our credit and investment decision-making processes to enhance the de-risking measures associated with ESG risks and opportunities. Through the sustainable finance and investment pillar, the Group has continued to demonstrate its commitment to responsible lending and investments. This has enabled the Group to take advantage of ESG market opportunities and advance sustainable socio-economic development.

Environmental Sustainability: Our commitment to environmental sustainability is manifested by our efforts to decarbonise our operations and activities. This involves reducing our operational and financed emissions. Our commitment is also centred on working with environmental partners to achieve carbon dioxide removal (CDR) by deploying reforestation and afforestation mechanisms such as tree planting. The Group promotes climate finance thought leadership to advance knowledge on climate adaptation and mitigation finance initiatives required for carbon emissions reduction and minimising the adverse impact of climate change.

People Empowerment: Our workforce constitutes a vital component of our operations and activities. Our commitment to people empowerment is central to our objective of cultivating a sustainable workplace where equal opportunity, inclusion and diversity are fundamental values. This commitment has enabled the Group to create a workplace that fosters sustainable innovation and growth.

Community Support: At FirstHoldCo, we recognise that our business serves as a fundamental component of the community in which we operate. We recognise the community's pivotal role in the success of our business and strive to make a positive impact on community stakeholders through our operations and activities. Through this pillar, we have continued to empower our communities and ensure that our operations and activities create a resonant positive impact.

Sustainability at FirstHoldCo Subsidiaries focusing on FirstBank Group and Investment Banking & Asset Management (IBAM)

FirstBank Group Sustainability Approach

FirstBank Group's commitment to sustainability is exemplified through its sustained implementation of initiatives across several pillars: Education, Health and Welfare, Diversity and Financial Inclusion, Responsible Lending, Sustainable Procurement and Climate Initiatives Pillars. The Bank has established policies governing its implementation of sustainability. Some of these policies include Sustainability policy, Environmental, Social and Governance System (ESGMS) policy, Diversity policy, and Gender-based Violence and Harrassment (GBVH) policy. Sustainability at FirstBank is governed by the Board, with the Board Risk Management Committee providing the required oversight for sustainability governance. Quarterly sustainability performance reports are sent to this Committee by the Sustainability Unit of the Bank, which is responsible for the day-to-day implementation of sustainability. In 2024, FirstBank executed several initiatives aligned with these pillars.

Driving Environmental Sustainability

FirstBank's ambition in relation to environmental sustainability advanced significantly in 2024 through various initiatives and activities:

Mainstreaming Climate Initiatives at FirstBank

In alignment with the climate initiative pillar, the Bank commenced the process of mainstreaming climate risks and opportunities into its business operations and activities. This initiative started in 2023, and through the process, the Bank aims to achieve the following:

- Identify its greenhouse gas (GHG) emission sources.
- Conduct a baseline assessment of its operational and financed emissions.
- Articulate a climate change strategy and a climate finance framework that will enhance its capability to reduce its operational and financed emissions.
- Decarbonise the Bank's operations and activities across its value chain to attain net-zero emission through effective implementation of the strategy.
- De-risk the Bank's portfolio from physical and transition climate risks.

Promoting Reforestation and Afforestation through Tree Planting

FirstBank committed to plant over 50,000 trees within a two-year timeframe, initiated in 2023 in partnership with the Nigerian Conservation Foundation (NCF). To date, the Bank has successfully planted 30,000 trees across 16 states in 2024 during its annual Corporate Responsibility and Sustainability Week, with the FirstBank Group CEO leading the planting initiative at the Lekki Conservation Centre in Lagos. This will advance reforestation and afforestation as a mechanism for carbon dioxide removal (CDR). The planting of 30,000 trees is projected to result in the removal of approximately 720 tonnes of CO2 from the atmosphere. This will enhance biodiversity and create a carbon sink, aligning with the objective of the Paris Agreement and Nigeria's Green Recovery Plan and contributing to Nigeria's 2060 decarbonisation agenda.

Enhancing Social and Community Relationships

FirstBank's commitment to strengthening employee and community engagement is integral to its sustainability practices and facilitates the continual fostering of an inclusive work environment and better communities. The following activities and initiatives were implemented to enhance social and community relationships in 2024:

Amplifying SPARK and CR&S Week

The Bank conducted its signature 2024 Corporate Responsibility and Sustainability (CR&S) Week from 19 to 24 August, marking the eighth edition since its launch in 2017 across the FirstBank Group. The CR&S Week reflects the Bank's commitment to kindness, driven by the SPARK initiative (Start Performing Acts of Random Kindness) and our employee volunteering programmes. This initiative continues to serve as a platform for the Bank to foster goodwill and compassion within communities across its operating regions.

During the 2024 CR&S Week, amplified SPARK activities focused on sowing seeds of kindness through visits and donations to orphanages, schools, and healthcare facilities. Through these efforts, the Bank positively impacted over 40,000 individuals across Nigeria, Ghana, Senegal, The Gambia, the Democratic Republic of Congo, Sierra Leone, and the United Kingdom.

Throughout the Week, SPARK outreach extended to over 60 orphanages, schools and hospitals, underscoring the Bank's commitment to strengthening community ties and uplifting underserved populations. By integrating SPARK into the annual CR&S Week, the Bank reaffirms its dedication to fostering a culture of empathy and social impact through its operations and outreach initiatives. The activities further reinforce the Bank's role as a catalyst for positive change in the communities it serves.

Promoting FutureFirst

In 2024, FirstBank commemorated a decade of partnership with Junior Achievement Nigeria (JAN) to deliver the FutureFirst programme, empowering secondary school students with financial and entrepreneurial knowledge for making informed financial choices and developing business acumen. The programme, through JAN's National Company of the Year (NCOY) competition, enhances students' understanding of business operations, leadership, and career readiness by providing practical business experiences and mentorship from industry volunteers. The programme assists senior secondary school students in learning how to initiate and manage businesses, develop products or services, and market their brands.

It offers a practical supplement to business and economics studies, fostering critical thinking and leadership skills while strengthening relationships between young people and the business community.

In 2024, the NCOY Competition was held in Lagos State, featuring 12 student companies from 12 secondary schools across Nigeria, with the theme: "Greenovation" focused on innovative solutions for environmental challenges, covering sectors like renewable energy, sustainable agriculture, and waste management. Smart Sprout Company won the competition from Darun Noor Intercontinental, Kano. The table below shows the student companies, schools, projects, and project sectors of the participants.

2024 National Company of the Year Programme Finalists

S/N	Name of Student Company and School	Innovation/ Project	Sector
1	Green Cycle from Ibesikpo Secondary Commercial School, Akwa Ibom State	Bags from Recycled Plantain Stems	STEM*
2	Apex Trailblazer from Queen School, Enugu State	Quest Game	Waste to Wealth (Recycle)
3	Cutting Edge from Government Secondary School Gwagwa, FCT, Abuja	Liquid Fertiliser	STEM
4	Hemera from Federal Science Technical College, Yaba, Lagos State	Power Tote Bag	Waste to Wealth (Upcycle)
5	Lowson Wears from Alaba Lawson Royal College, Ogun State	Thermos Bag	Waste to Wealth (Recycle)
6	Dynamics from Oyemekun Grammar School, Ondo State	Automated Pump Control System	Climate Change
7	Best Achievers Technology from Best Brain College, Oyo State	EcoCycle Table	Waste to Wealth (Recycle)
8	Phoenix Company from Rhemaville Christian Academy, Plateau State	Solar Powered Food Dehydrator	STEM
9	Eco-Life from Government Senior Secondary School, Rivers State	Mosquito Repellent	STEM
10	Holy J Biogas Company from Holy J Leadership School, Kaduna State	BioGas	STEM
11	De-Amazons from Innovative Heritage School, Nassarawa State	Organic Marker Ink	STEM
12	Smart Sprout Company from Darun Noor Intercontinental, Kano State	Smart Sprinkler	STEM

*Science, Technology, Engineering and Mathematics.

Powering Employee Giving and Volunteering

FirstBank has made significant progress in strengthening its Employee Giving and Volunteering programme to promote both efficiency and effectiveness. The programme is designed to increase employee engagement and encourage participation in charitable causes that resonate with employees. Participation can take the form of philanthropic contributions, including both monetary donations and in-kind support, as well as volunteering time and skill to various charitable activities. Some of the initiatives our employees volunteered for in 2024 include Global Money Week, Financial Literacy Day, World Savings Day, and CR&S Week, where SPARK was amplified. The total volunteer hours contributed by employees to the programme in 2024 amounted to 1,924 hours.

FirstBank is committed to leading efforts in women's empowerment within the workplace, society and through its products. This practice aligns with the Bank's Diversity and Inclusion Pillar of its Sustainability Strategy. To strengthen its women empowerment agenda, the Bank is implementing the United Nations (UN) Women Empowerment Principles (WEPs) across the seven WEPs.

In partnership with UN Women during the Women's Month of 2024, FirstBank hosted a webinar themed "Invest in Women: Accelerate Progress" in honour of International Women's Day. The objectives of the programme included:

- Exploring the importance of investing in women as both a human rights concern and a fundamental component of sustainable socio-economic development.
- Deepen participants' understanding of the principles of promoting education, training, professional development, enterprise development, supply chain inclusion, and marketing practices that empower women as outlined in the Women's Empowerment Principles (WEPs) 4 and 5.
- Educate participants on the importance of the just and inclusive sustainability transition "leaving no one behind" as it relates to building a caring society that amplifies women's voices.

Furthermore, FirstBank launched a campaign tagged #InspireInclusion designed to promote the celebration and advocacy of diversity, equality and inclusivity for women across various spaces, including workplaces, communities and industries, during 2024 Women's Month. As part of its business support for women-led businesses, the Bank partnered with the ELOY Foundation to provide effective entrepreneurial training, mentoring and financial support to women-led and owned Micro, Small, and Medium Enterprises (MSMEs) in 2024. The empowerment programme concluded with the distribution of seed grants totalling ₦8mn awarded to 10 women-led MSMEs.

In addition, the Bank continued its support for women-led initiatives through the 'FirstGem' programme in 2024. FirstGem is a women-focused financial product designed to empower and support women and women businesses. FirstGem offers mentoring, capacity-building opportunities, and financial support. The product offers access to low-cost loans at single-digit interest rates and represents a sustainable financing solution for women and women-led businesses in the following sectors:

- Food/Beverage Processing and Packaging
- Confectionaries, Catering and Restaurants
- Transportation–Logistics (Dispatch/Delivery Services)
- Beauty/Cosmetic Products
- Agric/Agro Allied (Retail/Food Value Chain).

Community Development Scorecard

Our community development scorecard includes the following:

Initiative	Objective	Activities	Impact
SPARK Initiative	Create awareness and support the need to perform acts of kindness collectively.	Continued the support/donations for: • Modupe Cole Memorial and Childcare Treatment Home • Down Syndrome Foundation • Foundation for Cancer Care • Wesley Schools for the Hearing Impaired • Lagos Food Bank Initiative and over 60 charity organisations • Renovation of Ekiti State Children's Therapy Centre	Over 40,000 people were impacted.
FutureFirst	Promote financial literacy, career counselling and entrepreneurship skills for young people.	Partnered with JAN to support initiatives for entrepreneurship, career counselling, and financial literacy.	Over 200,000 students benefited from financial literacy and entrepreneurship engagement.

Community Support

Providing Funding Support for Schools and Traders

In 2024, FirstBank remained steadfast in its commitment to supporting small and medium-scale enterprises by providing essential credit solutions.

The First Trader Solution was specifically designed to address the working capital needs of businesses, offering loan disbursement to qualifying traders without the requirement for collateral. Throughout the year, FirstBank extended approximately ₦100bn in new credit to traders across key markets nationwide.

To promote financial literacy, the Bank conducted targeted product awareness campaigns in prominent markets in Lagos, including Idumota, ASPAMDA, Alaba International, Aluminium, Arena, and Ojuwoye markets.

Similarly, FirstEdu, another innovative business lending solution from the Bank, was strategically positioned to provide timely financial support to educational institutions facing funding needs. The Bank provided over ₦10bn in new loans to schools across the country, enabling the expansion of infrastructure and addressing critical working capital needs.

Customer onboarding for accounts and digital products during the Product Awareness Campaign in Aluminium Market, Dopemu, Lagos State.

• Product Awareness Campaign at Arena Market, Oshodi in Lagos State.

FirstBank Continues to Back Businesses Led by Women

In 2024, FirstBank reaffirmed its strategic partnership with the ELOY Foundation, continuing its commitment to supporting women-led businesses through comprehensive training and mentoring initiatives. Since its inception, the partnership has successfully empowered over 1,500 women-led businesses across the country with key engagements in Lagos State, Enugu State, Oyo State, Cross River State, and the Federal Capital Territory in the review year.

The 2024 edition of this engagement, known as the "Sustainable Empowerment Programme," selected 50 women-led businesses for specialised business mentoring and advanced training. Participants in this phase were also provided with opportunities for affordable funding and networking designed to foster business confidence and stimulate growth.

The Sustainable Empowerment Programme wrapped up for the year on 28 November 2024, with a Conference and Awards ceremony in Lagos themed "Generating Meaningful Impact." During the event, 10 outstanding participants were awarded grants of ₦250,000 each to help expand their businesses. These recipients also graduated into the ELOY Foundation Network, marking a significant milestone in their entrepreneurial journeys.

Attendees at the ELOY Conference and Awards engage with FirstBank's products at the FirstBank exhibition booth.

Presentation of a grant award to one of the winners at the ELOY conference and awards ceremony in Lagos State.

As we reflect on our impactful initiatives in 2024, FirstBank continues to demonstrate its dedication to empowering businesses across various sectors, from women-led enterprises to traders and educational institutions.

Nigerian Sustainable Banking Principles Implementation Updates

In 2024, FirstBank made significant strides in the implementation of the Nigerian Sustainability Banking Principles, as outlined below:

Nigerian Sustainable Banking Principles Progress Report

NSBP	Goals
Principle 1 Business Activities – Environmental Social and Risk Management	To integrate environmental and social considerations into the decision-making processes related to our business activities in order to avoid, minimise or mitigate negative impacts.
Principle 2 Business Operations - Environmental and Social Footprint	To avoid, minimise, mitigate or offset the adverse effects of our business operations on the environment and the surrounding communities in which we operate while actively promoting positive impacts where possible.
Principle 3 Human Rights	To respect and uphold human rights within our business operations and activities.
Principle 4 Women Economic Empowerment	To advance women's economic empowerment through a gender-inclusive workplace culture and to provide products and services specifically designed for women within our business activities.
Principle 5 Financial Inclusion	To promote financial inclusion by extending financial services to individuals and communities with limited or no access to the formal financial sector.
Principle 6 E&S Governance	To implement effective, robust and transparent E&S governance practices within our respective institutions and assess the E&S governance practices of our clients.
Principle 7 Capacity Building	To enhance the capacity of individuals, institutions, and sectors to effectively identify, assess, and manage environmental and social risks while also recognising opportunities associated with our business activities and operations.
Principle 8 Collaborative Partnerships	To foster collaboration across the sector and leverage international partnerships to accelerate our collective progress, ensuring that our approach aligns with both international standards and the developmental needs of Nigeria.
Principle 9 Reporting	To conduct regular reviews and provide reports on our progress in complying with these principles at both the individual institutional level and the sector-wide level.

Status Update
• Screened a total of 237 corporate transactions worth ₦3.04tn for ESG risks in 2024. • Reviewed and updated the ESGMS Policy following our partnership with Development Finance Institutions (DFIs) during the reporting period.
• Six branches and 16 ATMs are currently being powered by solar energy. • Planted 30,000 trees across 16 States in 2024. • The CR&S Week spanned eight countries (Nigeria, Ghana, Guinea, DRC, Gambia, Sierra Leone, Senegal, and the UK). This initiative provided support to over 60 charitable organisations and positively impacted the lives of approximately 40,000 individuals from underprivileged backgrounds.
• Assessed all transactions for potential human rights risks, such as child labour and forced labour through our ESG screening process.
• Continued to operationalise the FirstGem product that offers a single-digit interest rate with dedicated ₦5bn funds targeted at supporting women. • Disbursed a total of 1,071,895 loans valued at ₦43bn to women.
• A total of 55,253 out of 280,503 banking agents across Nigeria are women. • Deployed Financial Literacy programme through the FutureFirst Initiative in over 31 secondary schools in Nigeria.
• The Board Risk Management Committee oversees the sustainability governance at the Board level. • The Bank's Sustainability Committee comprises sustainability champions from different departments and is chaired by the Executive Director/Chief Risk Officer, who oversees sustainability management initiatives. • The Head of Sustainability is responsible for the day-to-day operationalisation of sustainability practices within the Bank.
• A total of 9,354 employees were trained in specialised sustainability topics such as climate change, financed emissions, operational emissions, climate finance and implementation of environmental, social and corporate governance principles in the financial sector.
• As a member of the United Nations Global Compact (UNGC), we reported on how FirstBank implemented the 10 UNGC Principles in 2024. • Co-chair, the Labour Committee of the United Nations Global Compact Local Network. • Member of the Steering Committee of United Nations Global Compact Local Network. • Pioneer member of the Nigeria Chapter of the UN Women Unstereotype Alliance. • Member of the Board of JAN and a lead member of the Marketing Committee. FirstBank partnered with JAN in 2024 in the National Company of the Year Competition. This annual competition produces sustainable entrepreneurs from secondary schools with businesses that have both financial and societal value. • Member of the Sustainability Professionals Institute of Nigeria. • Partnered with UN Women during Women's Month and delivered a webinar titled 'Invest in Women: Accelerate Progress'. Over 1,000 persons attended the webinar. • Partnered with the Nigerian Conservation Foundation (NCF) to plant 30,000 trees across 16 states in Nigeria.
• The Bank submits a bi-annual report on the Bank's sustainable banking practices to CBN. • FirstBank prepares an annual sustainability report in compliance with the Global Reporting Initiative (GRI) Standards. The annual sustainability report is published on the Bank's website. • The Bank reports its sustainability performance annually to UNGC through the annual Communication on Progress (CoP) as it relates to the implementation of the 10 UNGC Principles.

Governance

FirstHoldCo upholds high corporate governance standards by promoting transparency, accountability, and ethical decision-making, which strengthens stakeholder trust and supports sustainable success.

CGRS
Better For Business
RATED

Introduction

At First HoldCo Plc, corporate governance is more than just a set of rules; it constitutes the foundation of our identity and operational ethos. As a leading financial services Group, we recognise that strong governance builds trust, enhances performance, and ensures long-term sustainable success for our stakeholders.

Our governance framework ensures transparency, accountability and ethical decision-making at all levels. Supported by an experienced Board of Directors that provides strategic oversight, FirstHoldCo continually strengthens its risk management, compliance and operational structures to align with leading global practices and regulatory standards.

By proactively refining our governance principles, FirstHoldCo positions itself ahead of the industry by fostering a culture of excellence and adaptability. We have been recharged not only to secure the present but also to shape the future characterised by financial resilience and stakeholder confidence..

FirstHoldCo is committed to adhering to both local and international governance standards. Our governance framework aligns with key regulatory guidelines, such as the Nigerian Code of Corporate Governance 2018 by the Financial Reporting Council (FRC), the 2023 Corporate Governance Guidelines for Financial Holding Companies by the Central Bank of Nigeria (CBN), the Securities and Exchange Commission (SEC)'s Corporate Governance Guidelines 2020, and those issued by the National Insurance Commission (NAICOM). These standards ensure we maintain a robust structure that upholds transparency and regulatory compliance across the Group.

> **"FirstHoldCo continually strengthens its risk management, compliance and operational structures to align with best global practices and regulatory standards."**

As we continue to navigate the evolving financial landscape, FirstHoldCo remains steadfast in its mission to uphold the highest standards of corporate governance. By fostering a culture of accountability and ethical conduct, we aim to deepen stakeholder confidence, reinforce our leadership position, and deliver sustainable value to future generations.

Promoting Diversity, Inclusion, and Governance

At FirstHoldCo, we are dedicated to fostering an inclusive and equitable environment that truly reflects the diverse communities we serve. Our policies and procedures are meticulously designed to promote equal opportunity, respect, and fairness, thereby ensuring that diversity remains a fundamental pillar of our corporate culture. We believe that embracing diversity not only enhances our workplace but also strengthens our ability to serve our clients and communities effectively.

The recruitment of employees with diverse backgrounds, experience, expertise, and knowledge to drive innovation, improve the quality of our products and services, and ultimately enhance the overall performance of the Company.

Our commitment to diversity extends beyond gender representation to include differences in perspectives, nationalities, religions, socioeconomic backgrounds, and other factors that contribute to our inclusive culture.

Shareholder and Regulatory Engagement

Our stakeholders, which include customers, shareholders, employees, regulators, partners, and communities, play an integral role in our success. They provide the resources, guidance, and support that drive our operations.

The Board and Management actively engage stakeholders through various platforms, ensuring a two-way dialogue that captures external perspectives and addresses concerns. Shareholder groups, annual general meetings, and other fora are pivotal in maintaining transparency and trust. Our close collaboration with regulators is equally important, fostering goodwill and ensuring strict compliance with all relevant laws and guidelines. As a Group, we value the feedback and insights of our stakeholders, as they are fundamental to our success.

Introduction

Appointment Philosophy

FirstHoldCo's appointment philosophy reflects our commitment to regulatory compliance, transparency, and global best practices. Directors' appointments are guided by the requisite skills, competencies, and experience required to drive the Group's strategic objectives. The Board Remuneration, Nomination, and Governance Committee is responsible for identifying and evaluating potential candidates, ensuring alignment with the Group's goals and values.

All appointments are subject to rigorous deliberation by the Board and require the approval of relevant regulatory authorities and shareholders at the Annual General Meeting (AGM). This robust process ensures that only the most qualified individuals are appointed, thereby contributing to the Group's vision and long-term success.

Board Composition

As at 31 December 2024, the Board had nine Directors: four Non-Executive Directors; three Independent Non-Executive Directors and two Executive Directors. This composition aligns with global best practices that encourage a higher ratio of Non-Executive Directors to Executive Directors. All Directors are distinguished by their professionalism, expertise, integrity and independence of opinion.

Board Changes

In 2024, the following changes occurred on the Board.

Alhaji Ahmad Abdullahi, the former Chairman resigned from the Board 30 January 2024.

Ahmed Modibbo, INED [1] resigned from the Board 31 March 2024.

Khalifah Imam, INED [1] resigned from the Board 31 March 2024.

Dr Adesola Adeduntan, NED [2] and former MD/CEO of First Bank of Nigeria Limited, retired 19 April 2024.

Olusegun Alebiosu appointed to the Board 30 July 2024.

Adebowale Oyedeji appointed Group Managing Director 13 November 2024.

Nnamdi Okonkwo, the former Group Managing Director, retired 15 November 2024.

[1] INED: Independent Non-Executive Director.

[2] NED: Non-Executive Director.

Board of Directors

Peter Olufemi Otedola, CON
Group Chairman
Appointed to the Board July 2023
Appointed Chairman 30 January 2024

Adebowale Oyedeji
Group Managing Director
Appointed 13 November 2024
✱ ●

Nnamdi Okonkwo
Group Managing Director
Retired 15 November 2024

Dr Alimi Abdul-Razaq
Independent Non-Executive Director
▲ ● ■

Dr (Sir) Peter Aliogo
Independent Non-Executive Director
✱ ● ■

Kofo Dosekun
Independent Non-Executive Director
▲ ● ■

Dr Abiodun Fatade
Non-Executive Director
▲ ✱

Dr Julius Omodayo-Owotuga
Non-Executive Director
▲ ✱

Olusegun Alebiosu
Non-Executive Director
Appointed 30 July 2024
✱

Oyewale Ariyibi
Executive Director, Chief Financial Officer
✱

BOARD COMMITTEE MEMBERSHIP AND KEY

Board Remuneration, Nomination and Governance Committee	BRNGC	▲
Board Audit Committee	BAC	■
Board Risk Management Committee	BRMC	●
Board Finance and Investment Committee	BFIC	✱

Management Team

Adebowale Oyedeji
Group Managing Director
Appointed 13 November 2024

Nnamdi Okonkwo
Group Managing Director
Retired 15 November 2024

Oyewale Ariyibi
Executive Director, Chief Financial Officer

Tolulope Oluwole
Head, Investor Relations

Bode Oguntoke
Head, Internal Audit

Oladipupo Dirisu
Head, Risk Management

Adewale Arogundade
Company Secretary

Oyinade Kuku
Head, Human Resources

Tunde Lawanson
Head, Marketing and Corporate Communications

Our Direct Subsidiaries

COMMERCIAL BANKING

FirstBank

Ebenezer Olufowose
Chairman
Appointed 9 May 2024

Olusegun Alebiosu
Chief Executive Officer
Appointed 19 June 2024

Directors

Ini Ebong
Deputy Managing Director
Appointed 19 June 2024

Oluwatosin Adewuyi
Executive Director, Corporate Banking
Retired 25 January 2025

Patrick Iyamabo
Executive Director, Chief Financial Officer

Oluseyi Oyefeso
Executive Director, Retail Banking (South)

Shehu Aliyu
Executive Director, Public Sector
Appointed 29 January 2024

Tope Omage
Independent Non-Executive Director

Aderemi Lasaki
Non-Executive Director

Akinwunmi Akinfemiwa
Non-Executive Director

Akinwumi Fanimokun
Non-Executive Director

Anil Dua
Non-Executive Director
Appointed 6 March 2024

Remi Odunlami
Non-Executive Director
Appointed 6 March 2024

Tunde Alao-Olaifa
Non-Executive Director
Appointed 19 June 2024

Adebowale Oyedeji
Non-Executive Director
Appointed 10 December 2024

Nnamdi Okonkwo
Non-Executive Director
Retired 15 November 2024

INVESTMENT BANKING AND ASSET MANAGEMENT GROUP

FirstCap

Yewande Amusan
Chairman
Appointed 14 November 2024

Ukandu Ukandu
Managing Director
Appointed 1 March 2025

Directors

Tolulope Oluwole
Non-Executive Director

Irene Ubiawhe-Akpofure
Non-Executive Director
Appointed 14 November 2024

Zeal Akaraiwe
Independent Non-Executive Director
Appointed 14 November 2024

Adenike Kuti
Independent Non-Executive Director
Appointed 14 November 2024

FirstAssetManagement

Ike Onyia
Managing Director

Directors

Binta Max-Gbinije
Independent
Non-Executive Director
Appointed 24 November 2024

Babajide Fetuga
Non-Executive Director

FirstSecuritiesBrokers

Afolabi Olorode
Chairman

Fiona Ahimie
Managing Director

FirstTrustees

Idris Shittu
Chairman

Babajide Fetuga
Acting Managing Director

Directors

Afolabi Olorode
Non-Executive Director

Kemi Adewole
Independent Non-Executive Director

Emmanuel Olayinka
Independent Non-Executive Director

INSURANCE BROKERS

FirstInsuranceBrokers

Olaitan Martins
Chairman

Olumide Ibidapo
Managing Director

Directors

Oluseyi Oyefeso
Non-Executive Director
Appointed 19 January 2023

Leadership

Peter Olufemi Otedola, CON
Group Chairman

Peter Olufemi Otedola, CON, was appointed Group Chairman of the Board of Directors of First HoldCo Plc on 31 January 2024. He is a visionary entrepreneur with a track record of pioneering businesses, growing and transforming corporations.

His first foray into the downstream sector of the oil and gas industry began with Zenon Petroleum and Gas Limited, disrupting and redefining standards in the industry. He thereafter initiated the purchase of majority shareholding in the then African Petroleum Plc in May 2007 and became the Chairman of the Board on 25 May 2007. His vision transformed African Petroleum Plc into Forte Oil Plc (FO Plc). The Company grew in leaps and bounds to become a model of the possibilities inherent in Nigeria, winning numerous accolades in recognition of the successful business turnaround, diversified portfolio, prompt financial reporting, strong corporate governance, and investment of choice within the oil and gas industry.

In December 2018, he divested from the Company by selling his shareholdings to the Ignite Consortium led by Prudent Energy Services Limited and handed over in June 2019 after completing the transaction. The divestment from Forte Oil Plc and the incorporation of Amperion Power Distribution Company Limited, the Special Purpose Vehicle (SPV) for the acquisition of controlling shares in Geregu Power Plc, provided ample opportunity to focus on the Power Sector as the Company's Chairman. This is a demonstration of his long-term interest in the Power sector dating back to 2007 when he made a strategic decision to participate in the Privatisation Programme of the Nigerian Government. Olufemi's doggedness culminated in the acquisition of a majority stake in the 414MW Geregu Power Plant by Amperion Power Distribution Company Limited in August 2013 (a plant which has since been overhauled and improved to a 435MW capacity), contributing approximately 9% of the generating capacity available to the National Grid and becoming the first power generation company to be listed on the Nigerian Exchange Limited.

His investments span multiple sectors, including storage, shipping, insurance brokerage, port agencies and petroleum retail outlets. He has built a formidable, value-driven presence along the downstream value chain. Olufemi has a rich experience in corporate boards having held several board memberships, including President of the Nigerian Chamber of Shipping. He also served as the Chairman of Transcorp Hilton Hotel, Abuja. He was appointed a member of the Governing Council of the Nigerian Investment Promotion Council (NIPC) in January 2004. In December of the same year, he became a member of the Committee saddled with the task of fostering business relationships between the Nigerian and South African Private sectors. He was also a member of the National Economic Management Team chaired by Former President Goodluck Jonathan from September 2011 to May 2015 and the Honorary International Investors Council chaired by Baroness Lynda Chalker. He is currently a member of the revered National Peace Committee. Olufemi has received several awards and recognitions for his immense contributions to the growth of the Nigerian economy, including the conferment of the prestigious National Honour – "Commander of the Order of the Niger (CON)" by former President Goodluck Jonathan in May 2010.

Olufemi is a philanthropist with deep involvement in educational causes at all levels via the Sir Michael Otedola Scholarship Awards Foundation and demonstrates his passion for his immediate and extended communities by committing huge financial resources to the sponsorship of promising but financially disadvantaged students. He is the current Chancellor of Augustine University in Ilara, Epe, Lagos State. Olufemi is the Vice President of "Save the Children," a UK-based charity group, and his invitation to the Group bears testament to his impact through the generous donation of ₦5bn to Save the Children's cause in Nigeria. He is an accomplished family man, happily married and blessed with children.

Leadership

'Wale Oyedeji
Group Managing Director

Wale Oyedeji was appointed the Group Managing Director (GMD) of First HoldCo Plc, effective 13 November 2024. He is a consummate professional and charismatic leader with impeccable work experience spanning over 30 years and expertise in Audit, Corporate Banking, Treasury Management, Commercial Banking, and Strategic Financial Planning.

Wale has an exemplary track record of delivering revenue objectives, driving business transformation, ensuring improved staff productivity through people management skills and risk control enterprise, and promoting sound leadership in top-tier Nigerian and international banks. As an accomplished C-suite executive, he has consistently delivered exceptional results, including revenue growth, operational efficiency, business transformation and people development. He is deeply committed to enhancing customer experience while maintaining the highest standards of governance and regulatory compliance.

Prior to his appointment as the GMD of FirstHoldCo, Wale served as the MD/CEO of Nova Commercial Bank, where he spearheaded the Bank's conversion from a merchant bank to a commercial bank and developed its strategic roadmap to align operational objectives with growth targets.

He started his career with Ernst & Young as an accountant and later joined Guaranty Trust Bank in 1994, where he distinguished himself and rose through the ranks to become the Managing Director, Guaranty Trust Bank UK in 2008. He was thereafter appointed to the Board of Guaranty Trust Bank Plc in October 2011, where he served as Executive Director for the Corporate Banking Group and contributed immensely to the growth and transformation of the Business. Wale also served as an Independent Non-Executive Director on the boards of various organisations, including Investment One Financial Services Limited and Stanbic IBTC Bank. In furtherance of his interest in the Health and Education sectors, he is on the Board of Duchess International Hospital and Atlantic Hall School.

Wale holds a Bachelor of Science degree in Agricultural Economics from the premier University of Ibadan and a Master of Science in Financial Economics from the prestigious University of London. He is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN), an Honorary Member of the Chartered Institute of Bankers of Nigeria, and an alumnus of the Advanced Management Programme of Harvard Business School in the United States of America. He has attended various local and international training courses. Wale loves reading, playing squash, and following football matches. He is happily married with children.

Dr Alimi Abdul-Razaq
Independent
Non-Executive Director

Dr Alimi AbdulRazaq was appointed to the Board of Directors of First HoldCo Plc on April 30, 2021. He brings to the Board a wealth of experience as both a legal expert and a regulator, with over 45 years of post-call practice. He is the Managing Partner at A. AbdulRazaq (SAN) & Co (Legal Practitioners & Notaries Public).

Dr AbdulRazaq earned his Law degree from Ahmadu Bello University, Zaria, Nigeria, and furthered his education with an LL.M. and PhD from the University of Hull, UK. He is a respected member of the International Bar Association and the Nigerian Bar Association and holds a Fellowship at the Chartered Institute of Arbitrators, Nigeria. Additionally, he is an elected member of the Royal Institute of International Affairs, London, and a distinguished member of the Body of Benchers, Nigeria.

His extensive career includes serving as Commissioner of Legal Licensing and Enforcement at the Nigerian Electricity Regulatory Commission (NERC), Chairman of the National Iron Ore Mining Company, Itakpe, and a member of the National Council on Privatisation. He is also the Founder and Chairman of Bridge House College, Ikoyi, Lagos State.

Dr AbdulRazaq attended executive leadership programmes at Harvard Business School, IESE Barcelona, University of Florida, Georgetown University, Washington DC and the Lagos Business School. He is the pioneer recipient of the Alumni Laureate Award from the University of Hull, UK, recognising his contributions to legal scholarship and educational endowments. Additionally, he was honored in 2003 as the Outstanding Alumni of St. Gregory's College, Obalende, Lagos.

He holds the prestigious traditional title of Mutawali of Ilorin. Outside of his professional commitments, he is a dedicated family man, an avid art collector, and enjoys reading and swimming.

Dr (Sir) Peter Aliogo
Independent
Non-Executive Director

Dr (Sir) Peter Aliogo was appointed to the Board of Directors of First HoldCo Plc on 30 April 2021. He brings to the Board his vast experience and expertise, spanning over three decades in banking, finance management, hospitality, manufacturing, real estate and insurance. Before joining the Board of First HoldCo Plc, he served as Regional Executive at South East Bank, Deputy General Manager at Union Bank of Nigeria Plc and Executive Director and Acting Managing Director at Manny Bank Plc.

Dr (Sir) Aliogo has also served as a lecturer to MBA students at ESUT Business School, Enugu. He is an Associate Member of the Chartered Insurance Institutes of London and Nigeria (ACII & ACIIN). He is also an Associate Member of the Nigerian Council of Registered Insurance Brokers (ANCRIB). He holds a PhD in Business Administration from the International School of Management, Paris, France.

He also holds an HND in Business Administration (Marketing) and a Master's in Business Administration (Banking & Finance) from Auchi Polytechnic and Rivers State University of Science and Technology, respectively.

He has attended many professional programmes at Lagos Business School, Nigeria; Harvard Business School, Boston, USA; Wharton Business School, Philadelphia, USA; and Fudan University, Shangai, China.

Dr (Sir) Aliogo is the Vice Chairman/CEO of Dorchester International Insurance Brokers Limited and Ban Kapital Plc, a Banking and Finance relationship management consultancy company.

Kofo Dosekun
Independent
Non-Executive Director

Kofo Dosekun joined the Board of Directors of First HoldCo Plc on 30 April 2021. She is a Barrister and Solicitor of the Supreme Court of Nigeria and a member of the International Bar Association. Kofo is currently the Chairman of Aluko and Oyebode Management Board. She brings expertise in commercial transactions to the Board, including project finance, cross-border and local syndicated lending, private equity, energy, public-private partnerships and structured trade finance. She also advises on risk mitigation, financial regulatory compliance, foreign investment and derivatives, mergers and acquisitions and restructurings in the energy, manufacturing and telecommunications sectors.

Kofo's expertise in project finance, mergers and acquisitions has been recognised by prestigious legal directories. The Legal 500 (2024) inducted her into the Legal 500 Hall of Fame as the first and only female lawyer in the banking, finance and capital markets practice. She has also been consistently ranked Band 1 in Banking and Finance, Corporate Commercial, Energy and Natural Resources by Chambers Global and referred to as a standout lawyer for banking matters by Who's Who Legal. IFLR1000 (2024) ranks her as a Market and Thought Leader: She is excellent, diligent and passionate about her work, and insists on good quality.

Kofo's experience, which spans over three decades, began as a Legal Officer at the Nigerian Institute of International Affairs, then as an Associate at Debo Akande & Co. (Barristers & Solicitors), Company Secretary/Legal Advisor, Nigerian International Bank (Affiliate of Citibank, N.A.), and Assistant General Manager Corporate Finance and Financial Institutions, Credit and Marketing. She has an LLB (Honours) from the University of Ife, Nigeria and an LLM from King's College London, UK.

Leadership

Dr Abiodun Fatade
Non-Executive Director

Dr Abiodun Fatade was appointed to the Board of Directors of First HoldCo Plc on 30 April 2021. He is a renowned Radiologist and medical practitioner with over three decades of experience in the healthcare industry. He is the MD/CEO of Crestview Radiology Limited, a leading radio-diagnostic Group in Nigeria.

In addition to his work in private practice, Dr Fatade has accumulated significant experience collaborating with both Federal and State governments across several public-private partnerships. He served as a Board member of the Gulf Bank of Nigeria and on various Board committees. A distinguished graduate of the College of Medicine, University of Lagos, Nigeria, he proceeded to the University College Hospital, Ibadan, Nigeria and subsequently the Toronto Hospital, Canada, for postgraduate studies and training. He is a Fellow of the Postgraduate Medical College of Nigeria (Radiology) and a Member of the Nigerian Medical Association, the American College of Radiologists, the American College of Physician Executives and the Radiology Society of North America (RSNA).

Notably, he serves on various international committees of these organisations, including the RSNA Committee for Africa and Asia and the Committee for the Advancement of MRI Education and Research in Africa (CAMERA). He is the former Secretary of the Association of Radiologists of West Africa, the West African Medical Ultrasound Society, and past Chairman of the Association of Radiologists in Nigeria (ARIN) Lagos State.

Dr Fatade is an astute healthcare entrepreneur and an alumnus of the Healthcare Leadership Academy and Radiology Business Management Association of America. He received the Postgraduate Medical College of Nigeria Award for outstanding contributions to the development of radiology in Nigeria.

He is a Founding Director of the Medical Artificial Intelligence Laboratory, Africa (MAI LAB). Dr Fatade attended various leadership and management courses, both locally and internationally, including:

- Board oversight of ESG sustainability and reporting for long-term value creation.
- Understanding and interpreting financial statements for non-finance Directors.
- Compensation committee: New challenges and new solutions.
- Deepening Effective Governance and Board Oversight.
- The future of the Board Governance, Reporting, Supervising and Risk Management in a Disruptive Era.

Dr Julius Omodayo-Owotuga
Non-Executive Director

Dr Julius B. (JB) Omodayo-Owotuga is a seasoned executive with a wealth of experience across the oil and gas sector, banking and financial services, and the audit and consulting industry. He was appointed to the Board of First HoldCo Plc on 22 December 2021. He currently serves as the Group Executive Director & Deputy Chief Executive of Geregu Power Plc, a subsidiary of Amperion Power, a holding company focused on the acquisition, operations and management of power assets in Africa. He has held this strategic role since 2019, overseeing finance, risk management, treasury, information technology and general administration of the Group.

Prior to his role at Geregu Power, JB was at Nigeria's leading oil and gas company, Forte Oil Plc (now Ardova Plc), as Group Executive Director, Finance and Risk Management between 2011 and 2019. In this role, he played a pivotal role in transforming Forte Oil Plc into a dynamic, multi-million-dollar profit-generating enterprise. He also spearheaded the Company's debt capital raise, acquisition and divestment initiatives. Prior to this, he was at the Africa Finance Corporation (AFC) as the Corporation's Asset and Liability Management Specialist and the deputy to the Treasurer. Before this, he was the corporation's Finance Manager responsible for the setup of the finance operations and control functions as a pioneer staff. His key accomplishments at the Pan-African multilateral development finance institution include generating an annual income of tens of millions of US Dollars, facilitating the successful closure of several trade line deals and short-term funding to the tune of several millions of US Dollars.

JB joined the AFC in 2007 from Standard Chartered Bank Nigeria (SCBN) Limited, where he was a manager within the Finance Group. Before joining SCBN, he was at KPMG Professional Services as an Audit Senior, where he led numerous assurance engagements within the financial services industry. He joined KPMG in 2003 from MBC International Bank (now First Bank of Nigeria), where he worked in the Foreign Operations department.

JB is an alumnus of the University of Oxford's Said Business School, UK; IE Business School, Spain; Geneva Business School, Switzerland; and the University of Lagos, Nigeria. He holds a Bachelor's degree in Accounting, a Master's degree in Business Administration (with Distinction) and a doctorate in Business Administration. He is a CFA Charter Holder, a Chartered Management Accountant and a Fellow of the Institute of Chartered Accountants of Nigeria, the Chartered Institute of Taxation of Nigeria and the Institute of Credit Administration. He is a member of the Institute of Directors (IoD) of Nigeria. He is married with children and enjoys playing tennis, mentoring professionals, and watching soccer.

Olusegun Alebiosu
Non-Executive Director

Olusegun Alebiosu was appointed the Chief Executive Officer, First Bank of Nigeria Limited (FirstBank Group) in June 2024. He was until this appointment, the Executive Director, Chief Risk Officer and Executive Compliance Officer since January 2022. Prior to that appointment, he was the Group Executive/Chief Risk Officer, a position he has held since 2016. Segun brings to the Executive Management of FirstBank over 28 years of experience in the banking and financial services industry with cross-functional exposure to Credit Risk Management, Financial Planning and Control, Credit and Marketing, Trade, Corporate and Commercial banking, Agriculture financing, Oil and Gas, Transportation (including Aviation and Shipping) and Project financing. He commenced his professional career in 1991 with Oceanic Bank Plc (now EcoBank Plc) and prior to joining FirstBank in 2016, served as Chief Risk Officer at Coronation Merchant Bank Limited, Chief Credit Risk Officer at African Development Bank Group and Group Head, Credit Policy & Deputy Chief Credit Risk Officer at United Bank for Africa Plc.

Segun is an alumnus of Harvard Business School and Harvard School of Government. He holds a Bachelor's degree in Industrial Relations and Personnel Management and a Master's degree in International Law and Diplomacy from the University of Lagos. He obtained a Master's degree in Development Studies from the London School of Economics and Political Science and completed the Advanced Management Programme (AMP) at Harvard Business School.

He is a member of various professional bodies, namely, Fellow, Institute of Chartered Accountants (FCA), Associate, Nigeria Institute of Management (ANIM), Chartered Institute of Bankers of Nigeria (CIBN) and Member, Nigeria Institute of International Affairs. Segun is a golfer and an adventurer. He is happily married with children.

Leadership

Oyewale Ariyibi
Executive Director

Oyewale Ariyibi (Wale) is the Executive Director, Chief Financial Officer. He was appointed to the Board of First HoldCo Plc as Executive Director in August 2022. He brings to the Board his core competencies in capital management, investment, strategy, compliance, operational risk management, financial accounting and regulatory reporting, amongst others. Wale is an award-winning professional with over three decades of experience in financial services, insurance underwriting, pensions and conglomerate.

He joined FirstHoldCo in September 2013 as one of the pioneer staff leading the Finance function through which he operationalised the Financial Holding Company license granted to the Company by the Central Bank of Nigeria (CBN). Prior to this time, he was the Group Chief Financial Officer (CFO) at Transnational Corporation of Nigeria Plc, where he played a key role in the turnaround of the conglomerate. He had also worked at various times as the Financial Controller (In-Country) at Standard Chartered Bank Nigeria and the Chief Financial Officer of National Bank of Nigeria (now Wema Bank). He worked briefly at Standard Trust Bank (now UBA), First Atlantic Bank (now FCMB) and Pensions Alliance Limited (PAL).

He also served as a Non-Executive Director in First Insurance Limited and as Chairman of FirstCap Limited. He started his career at Ernst & Young International (EY) in 1991 and joined Price Waterhouse (now PwC) in 1996.

Wale holds a Bachelor's degree in Microbiology from the University of Ilorin and a Master of Business Administration (MBA) in Marketing from the University of Lagos. He is a Fellow (FCA) of the Institute of Chartered Accountants of Nigeria (ICAN), Associate of the Chartered Institute of Taxation of Nigeria (CITN), Certified Pension Institute of Nigeria (CPIN) and Member of the Chartered Institute of Directors (IoD) of Nigeria. He has attended several local and international executive training programmes at Harvard, Wharton, and London Business Schools. He is an alumnus of the Northwestern University Kellogg Business School Advanced Management Programme (AMP). He completed the Global CEO Programme jointly organised by the University of Navarra (IESE Business School) and MIT (Sloane Business School). He is married with children.

Effectiveness

Board Effectiveness

An effective Board provides ethical leadership, promotes a well-defined culture and values, and demonstrates adaptability in navigating the complexities and risks of today's rapidly evolving business environment. To ensure success, the Board provides strategic direction across multiple structures, markets, and geographies, monitors the Company's risk profile, and evaluates the executive performance, maintaining accountability to all stakeholders. Ultimately, three factors contribute to the Board's efficiency: its composition and varied experience, continuous training, and an annual evaluation by an independent consulting firm.

Guiding Principles on Composition

To effectively fulfil its responsibilities, the Board must appoint individuals who not only demonstrate exceptional business acumen but also possess a comprehensive understanding of the industry gained through diverse experiences. The Board is composed of highly knowledgeable and well-rounded professionals, each bringing a wealth of experience and diverse expertise from various backgrounds. This diverse composition empowers the Board to effectively adopt and implement relevant governance codes, ensure appropriate delegation of authority, optimise resource allocation, and implement effective performance monitoring. These efforts are all focused on enhancing shareholder value. The Non-Executive Directors and Independent Non-Executive Directors outnumber the Executive Directors, demonstrating the Board's independence from the Management of the Company.

Training of Directors

In 2024, Directors participated in executive education programmes to refine their decision-making and leadership skills. The Board approved an annual training plan, with the Company Secretariat responsible for its implementation. This demonstrates the Company's commitment to continuous re-skilling, even at the Board level.

2024 Board Training Attended

S/N	Name	Course	Institution/Location	Date
1.	All Directors	Top Trends for the Next Decade of Banking	First HoldCo Plc/Dubai	12 - 14 December 2024
2.	Ahmed Modibbo	Corporate Governance: Essential for a New Business Era	Wharton University of Pennsylvania	22 - 25 April 2024
3.	Dr Adesola Adeduntan	Executive Programme in Corporate Strategy	Chicago Booth	8 - 12 April 2024
4.	Dr Alimi Abdul-Razaq and Khalifa Imam	Value Creation Through Effective Boards	IESE Business School and Harvard Business School	27 - 30 May 2024

Board Appraisal

The Board of a public company is required by regulations to conduct an annual appraisal of its performance and that of its Committees, the Chairman and individual Directors. The Board engaged PricewaterhouseCoopers (PwC) to evaluate the Board of Directors and review the Company's corporate governance processes for the year ended 31 December 2024. The Board appraisal covered the Board's structure and composition, processes, relationships, competencies, roles and responsibilities. The corporate governance evaluation covered the governance structures and practices, including oversight of the Company's performance, surveillance of the ethical climate within the Company, risk management oversight, corporate compliance and internal controls, financial reporting and stakeholder engagement.

Effectiveness

PwC concluded that the corporate governance practices of FirstHoldCo largely complied with the key provisions of the Corporate Governance Guidelines of the Central Bank of Nigeria, the Nigerian Code of Corporate Governance and the Securities and Exchange Commission's guidelines. They developed specific recommendations for further improvement of governance practices and presented these to the Board in a detailed report. Please refer to the summary of PwC report.

Access to Independent Professional Advice

To enhance its effectiveness, the Board may seek advice and assistance from independent or external professional advisers or experts at the expense of the Company. This option was exercised at various times during the year.

Board Responsibilities

The Board's primary mission is to create and deliver long-term shareholder value. The Board sets policy and strategic directions and supervises their implementation. The Board seeks to ensure that Management achieves both the long and short-term goals with the appropriate level of prioritisation at various stages. In establishing and monitoring the execution of strategy, it considers the impact of those decisions on the Group's obligations to various stakeholders including regulators, employees, suppliers and the community. Besides ensuring that the Group has good internal controls and risk management mechanisms, the Board is also responsible for ensuring the disciplined pursuit of the Group's collective purpose, values and culture. The Board has reserved the right to approve certain vital decisions and matters. Among these are decisions on the Group's strategy, approval of risk appetite, capital and liquidity issues, acquisitions, mergers and divestments, Board membership, financial performance, governance issues and the approval of the corporate governance structure. More specifically, the Board's responsibilities enumerated in the Board Charter include:

- Building long-term shareholder value by ensuring adequate systems, procedures, and policies are in place to safeguard the Group's assets;
- Appointing, developing and refreshing the overall competency of the Board, as necessary;
- Articulating and approving the Group's strategies and financial objectives, as well as monitoring the implementation of those strategies and objectives;
- Approving the appointment, retention and removal of the Group Managing Director (GMD) and any other Executive Director in the Group;
- Reviewing the succession planning for the Board and Senior Management regularly and recommending changes where necessary;
- Overseeing the implementation of corporate governance principles and guidelines;
- Reviewing and approving the recommendations of the Board Remuneration, Nomination and Governance Committee concerning the remuneration of Directors;
- Overseeing the establishment, implementation and monitoring of a Group-wide risk management framework to identify, assess and manage business risks encountered by the Group;
- Articulating and approving the Group's risk management strategies, philosophy, risk appetite and initiatives;
- Maintaining a sound system of internal controls to safeguard shareholders' investments and the assets of the Group; and
- Overseeing the Group's corporate sustainability practices regarding its economic, social and environmental obligations.

The Role of the Group Chairman

The roles of the Group Chairman and the Group Managing Director are distinct and not performed by one individual. The principal function of the Group Chairman is to provide leadership to the Board of Directors of FirstHoldCo. The Group Chairman is accountable to shareholders and responsible for the effective and orderly conduct of the Board and General meetings. More specifically, the duties and responsibilities of the Group Chairman are to:

- Act as a liaison between Shareholders and the Board;
- Provide independent advice and counsel to the GMD;
- Keep abreast of the activities of the Company and Management;
- Ensure the Directors are properly informed and have sufficient information to make appropriate decisions;
- Develop and set the agenda for Board meetings;
- Assess and make recommendations to the Board annually on the effectiveness of the Board, its Committees and individual Directors; and
- Ensure that, upon completing the ordinary business of a Board meeting, the Directors hold discussions regularly without members of Management present.

Effectiveness

The Role of the Group Managing Director

The Group Managing Director (GMD) is responsible for developing and executing the Group's long-term strategy and creating sustainable stakeholder value. The GMD's mandate is to manage the day-to-day operations of FirstHoldCo and ensure that processes are consistent with the policies developed by the Board of Directors and executed effectively. More specifically, the duties and responsibilities of the GMD are to:

- Lead the development of the Group's strategy in conjunction with the Board, and oversee the implementation of the Group's long-term and short-term plans in line with its strategy;
- Ensure appropriate organisation and staffing of the Company as well as hire, motivate, retain and exit staff as deemed necessary to enable the Company to achieve its goals and strategic objectives;
- Ensure the Group has appropriate systems to conduct its activities both lawfully and ethically;
- Ensure the Group maintains a high standard of corporate citizenship and social responsibility wherever it does business;
- Act as a liaison between Management and the Board and communicate effectively with shareholders, employees, government authorities, other stakeholders and the public;
- Ensure that sufficient information is provided to the Board to enable the Directors to make informed decisions;
- Abide by specific internally established control systems and authorities, lead by example and encourage all employees to conduct their activities in accordance with all applicable laws and the Company's standards and policies, including its environmental, health and safety policies;
- Manage the Group within established policies, maintain a regular policy review process and revise or develop policies for presentation to the Board;
- Ensure the Company operates within approved budgets and complies with all regulatory requirements of a holding company; and
- Develop and recommend the annual operating and capital budget to the Board and, with fully delegated authority, implement the plan upon approval.

The Role of the Company Secretary

The Companies and Allied Matters Act (Sections 330-340), regulations and the Company's Articles of Association govern the appointment and duties of the Company Secretary. The responsibilities of the Company Secretary include the following:

- Attending meetings of the Company, Board of Directors and Board Committees, rendering all necessary secretarial services in respect of such meetings and advising on compliance and regulatory issues;
- Setting the agenda of the meetings through consultations with the Group Chairman and the GMD;
- Maintaining statutory registers and other records of the Company;
- Rendering proper and timely returns as required under the Companies and Allied Matters Act;
- Providing a central source of guidance and advice to the Board and the Company on matters of ethics, conflict of interest and good corporate governance; and
- Executing administrative and secretarial duties as directed by the Directors of the Company and duly authorised by the Board of Directors and exercising any powers vested in the Directors.

Leadership Appointments Across the Operating Entities

The Board concurred with the appointment of Olusegun Alebiosu as the CEO of First Bank of Nigeria Limited

The Board concurred with the appointment of Omotunde Alao-Olaifa as a Non-Executive Director of First Bank of Nigeria Limited

The Board concurred with the appointment of Anil Dua as a Non-Executive Director of First Bank of Nigeria Limited

The Board concurred with the appointment of Yewande Amusan as a Non-Executive Director of FirstCap Limited

The Board concurred with the appointment of Dr Irene Ubiawhe-Akpofure as a Non-Executive Director of FirstCap Limited

The Board concurred with the appointment of Zeal Akaraiwe as a Non-Executive Director of FirstCap Limited

The Board concurred with the appointment of Adenike Kuti as a Non-Executive Director of FirstCap Limited

Effectiveness

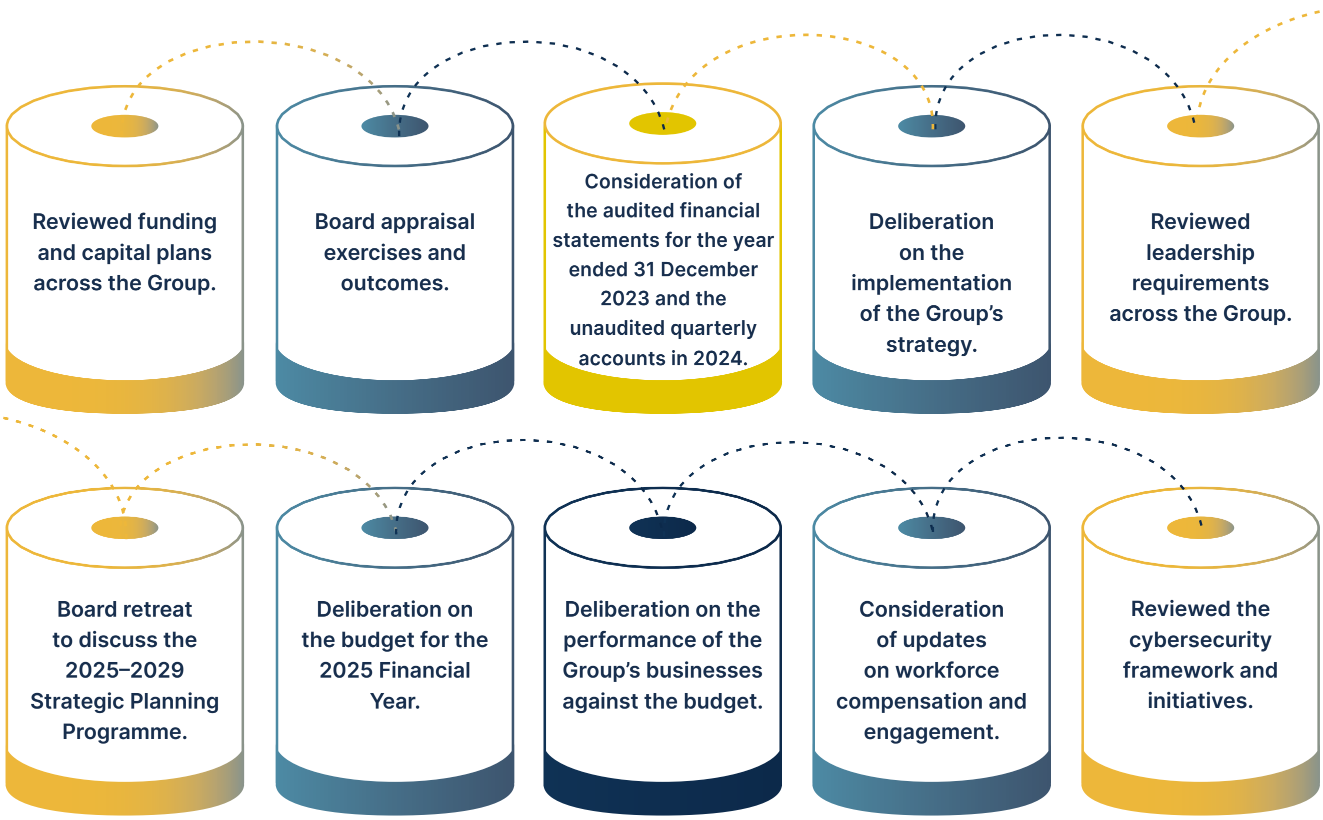
Making Board Meetings Effective

How FirstHoldCo Board meetings work:

- The Board meets quarterly and as necessary;
- The annual calendar of Board meetings is approved in advance at the last Board meeting of the preceding year. This is flexible and can include additional meetings to effectively and efficiently respond to new business exigencies;
- The annual calendar of Board activities includes a Board retreat to consider strategic matters, Group policy directions and to review opportunities as well as challenges encountered by the Group;
- The Board may take urgent and material decisions between meetings through written resolutions and will ratify such resolutions at the next Board meeting;
- The Company Secretariat transmits notices for meetings to Board members at least two weeks before the meeting;
- The Company Secretariat ensures that Directors receive the agenda and meeting papers well in advance of each meeting. Promptly distributing the Board documents facilitates meaningful discussions and enables the Directors to make informed decisions during the meetings;
- The agenda, i.e., the number of issues identified for deliberation and, more importantly, their complexity, are significant factors in determining the duration of the meetings. However, the Board ensures that it allocates ample time and attention to thoroughly discuss all matters scheduled for deliberation;
- Any Director may request the consideration of a topic at meetings. In addition, any Director may raise any issue deemed deserving of discussion; members usually consider this under the 'Any Other Business' item on the agenda; and
- The Company requires all Directors to declare their interest in any item scheduled for Board consideration before the commencement of each meeting.

Board Focus Areas

A summary of the main undertakings of the Board during the financial year is provided below:



Board Committees

The Board has delegated authority to various Board Committees to provide guidance and make recommendations, through established reporting mechanisms, on areas and matters entrusted to them. Each Committee has its charter, approved by the Board and reviewed as required, which defines, among other things, its roles, responsibilities, composition, tenure and meeting requirements. The Board monitors these responsibilities to ensure that the Group's operations are effectively covered and controlled.

In line with best practices, the Chairman of the Board is not a member and does not sit on any of the Committees.

In 2024, FirstHoldCo had four Board Committees, namely:

- Board Remuneration, Nomination and Governance Committee (BRNGC)
- Board Audit and Risk Assessment Committee *
  - Board Audit Committee (BAC)*
  - Board Risk Management Committee (BRMC)*
- Board Finance and Investment Committee (BFIC)

*The Board Audit and Risk Management Committee was dissolved and reconstituted as the Board Risk Management Committee and the Board Audit Committee in line with the provisions of the CBN's Corporate Governance for Guidelines for Financial Holding Companies.

Attendance at Board Meetings

The Board of FirstHoldCo met 11 times in 2024.

NAMES	31 January	13 February	4 April	19 April	21 April	25 April	28 June	3 July	30 July	29 October	24 December
Peter Olufemi Otedola, CON	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Adebowale Oyedeji [1]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓
Dr Alimi Abdul-Razaq	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Kofo Dosekun	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr (Sir) Peter Aliogo	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr Abiodun Fatade	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr Julius Omodayo-Owotuga	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Olusegun Alebiosu [2]	N/A	N/A	N/A	N/A	N/A	✓	✓	✓	✓	✓	✓
Oyewale Ariyibi	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Alhaji Ahmad Abdullahi [3]	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ahmed Dahiru Modibbo [4]	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Khalifa Imam [5]	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dr Adesola Adeduntan [6]	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Nnamdi Okonkwo [7]	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/A

✓ Attendance | N/A – Not Applicable

[1] Adebowale Oyedeji was appointed to the Board effective 13 November 2024.

[2] Olusegun Alebiosu was appointed to the Board effective 30 July 2024.

[3] Alhaji Ahmad Abdullahi resigned from the Board effective 31 January 2024.

[4] Ahmed Modibbo resigned from the Board effective 31 March 2024.

[5] Khalifa Imam resigned from the Board effective 31 March 2024.

[6] Dr Adesola Adeduntan retired from the Board effective 19 April 2024.

[7] Nnamdi Okonkwo retired from the Board effective 15 November 2024.

Effectiveness

Board Remuneration Nomination and Committee (BRNGC)

Membership

- Kofo Dosekun (Chairman)
- Dr Alimi Abdul-Razaq
- Dr Abiodun Fatade
- Dr Julius Omodayo-Owotuga
- Ahmed Modibbo [1]
- Peter Olufemi Otedola, CON [2]

Attendance at the Committee Meetings - The Committee met 11 times in 2024

NAMES	23 Jan	12 Feb	20 Feb	11 Mar	16 Apr	11 Jun	19 Jun	22 Jul	20 Aug	17 Oct	24 Oct
Kofo Dosekun	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr Alimi Abdul-Razaq	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr Abiodun Fatade	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr Julius Omodayo-Owotuga	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ahmed Modibbo [1]	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Peter Olufemi Otedola, CON [2]	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

✓ Attendance | N/A – Not Applicable

[1] Ahmed Modibbo resigned from the Board effective 31 March 2024.

[2] Peter Olufemi Otedola, CON exited the Committee upon becoming the Chairman, Board of Directors on 31 January 2024.

Key Responsibilities

- Develop and maintain an appropriate corporate governance framework for the Group;
- Develop and maintain an appropriate policy on the remuneration of Directors, both Executive and Non-Executive;
- Nominate new Directors to the Board;
- Develop succession plans for the Board of Directors and critical Management staff across the Group;
- Nominate/endorse/ratify individuals for Board appointments across the subsidiary companies as appropriate;
- Recommend Directors' remuneration to the Group;
- Oversee Board performance and evaluation within the Group;
- Identify individuals for consideration for Board appointment and make recommendations to the Board for approval;
- Recommend potential appointment and re-election of Directors (including the GMD) to the Board, in line with FirstHoldCo's approved Director selection criteria;
- Ensure the Board composition includes at least three Independent Non-Executive Directors who meet the independence criteria as defined by CAMA;
- Make recommendations on the amount and structure of the remuneration of the Group Chairman and other Non-Executive Directors to the Board for approval;
- Review and make recommendations to the Board on all retirement and termination payment plans of the Executive Directors;
- Ensure appropriate disclosure of Directors' remuneration to stakeholders;
- Ensure compliance with regulatory requirements and other international best practices on corporate governance;
- Review and approve amendments to the Group's corporate governance framework;
- Nominate independent consultants to conduct an annual review or appraisal of the performance of the Board and make recommendations to the Board. This review or assessment covers all aspects of the Board's structure, composition, responsibilities, individual competencies, operations, role in strategy setting, oversight of corporate culture, evaluation of Management's performance and stewardship towards shareholders;
- Review the report of the evaluation of the performance of the Board Committees and the Boards of subsidiary companies annually. The BRNGC may utilise the service of the independent consultant duly approved by the Board for the annual Board appraisal as it deems fit. The evaluation process will be in line with the Group's Evaluation Policy;
- Ratify the performance appraisals of the Executive Directors as presented by the GMD;
- Ensure compliance with the Codes of Corporate Governance of the CBN, FRCN, the guidelines of SEC and global best practices on corporate governance; and
- Perform such other functions relating to the operations of the Group as may be expressly delegated to the Committee by the Board.

Effectiveness

Board Audit and Risk Assessment Committee (BARAC)

Membership

- Dr Alimi Abdul-Razaq (Chairman)
- Kofo Dosekun
- Dr (Sir) Peter Aliogo
- Khalifa Imam [1]
- Ahmed Modibbo [2]
- Nnamdi Okonkwo [3]

Attendance at the Committee Meetings - The Committee met 3 times in 2024

NAMES	24 Jan	20 Feb	17 Apr
Dr Alimi Abdul-Razaq	✓	✓	✓
Kofo Dosekun	✓	✓	✓
Dr (Sir) Peter Aliogo	✓	✓	✓
Khalifa Imam [1]	✓	✓	N/A
Ahmed Modibbo [2]	✓	✓	N/A
Nnamdi Okonkwo [3]	✓	✓	✓

✓ Attendance | N/A – Not Applicable

[1] Khalifa Imam resigned from the Board effective 31 March 2024.
[2] Ahmed Modibbo resigned from the Board effective 31 March 2024.
[3] Nnamdi Okonkwo retired from the Board effective 15 November 2024.

Key Responsibilities

- Ensure there is an efficient risk management framework for the identification, quantification and management of business risks facing the Group;
- Evaluate the Group's risk profile and the controls in place to mitigate such risks;
- Ensure the development of a comprehensive internal control framework for the Group;
- Review the Group's system of internal control to ascertain its adequacy and effectiveness;
- Evaluate internal processes for identifying, assessing, monitoring and managing key risk areas, especially market, liquidity and operational risks, the exposures in each category, significant concentrations within those risk categories, the metrics used to monitor the vulnerabilities and Management's views on the acceptable and appropriate levels of those risk exposures;
- Review the independence and authority of the risk management function; and
- Assess and confirm the independence of the external auditor annually through an assessment report submitted to the Board and the Statutory Audit Committee.

Effectiveness

Board Audit Committee (BAC)

Membership

- Dr Alimi Abdul-Razaq (Chairman)
- Kofo Dosekun
- Dr (Sir) Peter Aliogo

Attendance at the Committee Meetings - The Committee met 2 times in 2024

NAMES	23 Jul	22 Oct
Dr Alimi Abdul-Razaq	✓	✓
Kofo Dosekun	✓	✓
Dr (Sir) Peter Aliogo	✓	✓

✓ Attendance | N/A – Not Applicable

Key Responsibilities

- Review the significant financial reporting issues and practices of the Group and ensure the adequacy and effectiveness of the accounting principles and financial controls applied within the Group, including controls relating to the "closing of the books" process.
- Review the Group's legal representation letter presented to the external auditors and discuss significant items, if any, with the Company Secretary.
- Receive the decisions of the Statutory Audit Committee on the statutory audit report from the Company Secretary and ensure its full implementation.
- Review and agree to the terms of the engagement and the audit fees for the External Auditors prior to the commencement of each audit.
- Assess and confirm the independence of the statutory auditor annually. The report of this assessment should be submitted to the Board and the Statutory Audit Committee.
- Review and ratify the quarterly and annual financial statements.
- Review critical accounting issues.

Effectiveness

Board Risk Management Committee (BRMC)

Membership

- Dr Alimi Abdul-Razaq (Chairman)
- Kofo Dosekun
- Dr (Sir) Peter Aliogo
- Nnamdi Okonkwo [1]
- Adebowale Oyedeji [2]

Attendance at the Committee Meetings - The Committee met 2 times in 2024

NAMES	23 Jul	22 Oct
Dr Alimi Abdul-Razaq	✓	✓
Kofo Dosekun	✓	✓
Dr (Sir) Peter Aliogo	✓	✓
Nnamdi Okonkwo [1]	✓	✓
Adebowale Oyedeji [2]	N/A	N/A

✓ Attendance | N/A – Not Applicable

[1] Nnamdi Okonkwo retired from the Board effective 15 November 2024.

[2] Adebowale Oyedeji was appointed the GMD effective 13 November 2024.

Key Responsibilities

- Ensure there is an efficient Enterprise Risk Management (ERM) framework for the identification, qualification and management of business risks facing the Group;
- Evaluate the Group's risk profile and the action plans in place to manage the risk;
- Review the Group's risk management framework and policy at least once in three years, or more frequently if necessary; recommend for Board approval, risk management-related policies, procedures and parameters that govern the management of all business functions, services, operations and management information systems;
- Ensure the development of a comprehensive internal control framework for the Group;
- Review the Group's system of internal control to ascertain its adequacy and effectiveness;
- Obtain assurance and report annually in the financial report on the operating effectiveness of the Group's internal control framework;
- Evaluate internal processes for identifying, assessing, monitoring and managing key risk areas, particularly: market, liquidity and operational risks; the exposures in each category, significant concentrations within those risk categories, the metrics used to monitor the exposures and Management's views on the acceptable and appropriate levels of those risk exposures;
- Approve the appointment of qualified officers to manage the risk functions; and
- Review the independence and authority of the Risk Management function.

Effectiveness

Board Finance and Investment Committee (BFIC)

Membership

- Dr (Sir) Peter Aliogo (Chairman)
- Adebowale Oyedeji [1]
- Dr Abiodun Fatade
- Dr Julius Omodayo-Owotuga
- Oyewale Ariyibi
- Khalifa Imam [2]
- Dr Adesola Adeduntan [3]
- Nnamdi Okonkwo [4]

Attendance at the Committee Meetings - The Committee met nine times in 2024.

NAMES	5 Jan	25 Jan	27 Mar	18 Apr	2 Jul	24 Jul	26 Aug	23 Oct	24 Dec
Dr (Sir) Peter Aliogo	✓	✓	✓	✓	✓	✓	✓	✓	✓
Adebowale Oyedeji [1]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓
Dr Abiodun Fatade	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr Julius Omodayo-Owotuga	✓	✓	✓	✓	✓	✓	✓	✓	✓
Olusegun Alebiosu	N/A	N/A	N/A	N/A	N/A	✓	✓	✓	✓
Oyewale Ariyibi	✓	✓	✓	✓	✓	✓	✓	✓	✓
Khalifa Imam [2]	✓	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A
Dr Adesola Adeduntan [3]	✓	✓	✓	✓	N/A	N/A	N/A	N/A	N/A
Nnamdi Okonkwo [4]	✓	✓	x	✓	✓	✓	✓	✓	N/A

✓ Attendance | N/A – Not Applicable

[1] Adebowale Oyedeji was appointed the GMD effective 13 November 2024
[2] Khalifa Imam resigned from the Board on 31 March 2024.
[3] Dr Adesola Adeduntan retired from the Board on 19 April 2024.
[4] Nnamdi Okonkwo retired from the Board on 15 November 2024

Key Responsibilities

- Understand, identify and discuss with Management the key issues, assumptions, risks and opportunities relating to the development and implementation of the Group's strategy;
- Liaise with Management in planning the annual strategy retreat for the Board and ensuring the Board retains sufficient knowledge of the Group's businesses and the sectors in which it operates to provide strategic input and revalidate the relevance of Management's assumptions for planning purposes;
- Critically evaluate and make recommendations to the Board for approval of the Group's strategic planning programme;
- Periodically engage Management and act as a sounding board on strategic issues;

- Regularly review the effectiveness of the Group's strategic planning and implementation monitoring process;
- Review and make recommendations to the Board regarding the Group's investment strategy, policy and guidelines, its implementation and compliance with those policies and guidelines and the performance of the Group's investment portfolio;
- Oversee the Group's investment planning, execution and monitoring processes;
- Oversee the long-term financing options for the Group;
- Review the Group's financial projections, as well as the capital and operating budgets, and have quarterly reviews with Management on the progress of key initiatives, including appraising actual financial results against targets and projections;
- Review and recommend for Board approval the Group's capital structure, which should not be limited to mergers, acquisitions, business expansions, allotment of new capital, debt issuance and any changes to the existing capital structure; and
- Recommend the Group's dividend policy for Board approval, including the nature and timing, and implement an effective tax policy.

STATUTORY AUDIT COMMITTEE (SAC)

Section 404 (2) and (3) of the Companies and Allied Matters Act 2020 requires every public Company to establish a Statutory Audit Committee composed of two Non-Executive Directors and three representatives of its shareholders, subject to a maximum of five members.

Shareholder Representative Profile

Vitalis Ekwem Anyiam

Vitalis Anyiam was re-elected as Shareholder Representative on SAC on 14 November 2024. He is an experienced professional banker who, in the pre-merger of United Bank for Africa Plc, managed and supervised branches as part of its senior management staff and, thereafter, moved to the Head Office post-merger, where he worked for several years before retirement. While in banking, he served in various ad-hoc committees and task forces to facilitate the organisation's systems and processes. He attended many training courses and seminars in all segments of banking and management. Currently, he is a consultant in banking, finance and investment. He is also a Director at both X-Unlimit Resources Nigeria Limited and Bevic Interglobal Link Nigeria Limited and a Principal Partner at Ekwemma Enterprises.

Vitalis has been an executive member of the Independent Shareholders Association of Nigeria and has benefited from its training courses and seminars organised for effective performance in audit committees, as well as training courses in capital/money markets and investment for members. Furthermore, he served as the Audit Committee Chairman of Law Union and Rock Insurance Plc for some years.

Vitalis is currently a member of the Audit Committees of Arbico Plc and Union Dicon Salt Plc. He is affiliated with the following professional bodies: The University of Lagos with a Master's in Banking and Finance (MBF); a Fellow of the Chartered Institute of Bankers of Nigeria (FCIB); an Associate of the Institute of Commercial Management London (AM. Inst Co); an Associate of the British Society of Commerce London (ABSC); and an Associate of the International Association of Bookkeepers London (AIAB), while he also obtained a certificate in Internal Auditing from the Institute of Internal Auditors and certification in Theology.

Effectiveness

Hauwa Umar, FCA

Hauwa Umar was re-elected as a Shareholder Representative on the SAC on 14 November 2024. She is a distinguished leader in the field of accountancy and the current Chairperson of the Society of Women Accountants of Nigeria (SWAN), Kano Chapter. Her tenure in this prestigious role marks a significant chapter in the ongoing commitment to elevate the role of women in the finance and accounting industry.

Over the years, Hauwa has showcased her expertise in accounting, auditing, and management through pivotal roles in leading organisations. Her career trajectory includes impactful tenures at Nigerian Mobile Telecommunications as an Internal Auditor and at Vina International Limited as a Branch Manager. Additionally, she has served as the Northern Representative for Heritage Capital Market Limited, demonstrating her adaptability and leadership across various facets of the industry.

Hauwa is a seasoned Chartered Accountant with a B.Sc. (Hons.) in Accounting and an MBA from Bayero University, Kano. She is a Fellow of the Institute of Chartered Accountants of Nigeria (FCA). She attended an executive programme on Risk Management for Oil and Gas at the Oxford Management Centre in Houston, Texas. Beyond her corporate achievements, Hauwa Umar has shown a profound commitment to governance and oversight, serving as a committee member for a publicly listed company. Her role has been instrumental in shaping strategic decisions that enhance corporate governance and operational efficiency.

Hauwa's leadership extends into community service, where she actively participates in various capacities, including serving on the advisory board of the Fata Lero Olileanya Foundation (FLO). Her skills are vast and include excellent organisational, administrative, and interpersonal abilities. She is also proficient in IT and has a remarkable capacity to adapt to changes, leveraging her extensive network and experience to foster growth and innovation.

Mathew Akinlade, FCA

Mathew Akinlade was elected as a Shareholder Representative on the SAC on 14 November 2024. He is a Fellow, Chartered Institute of Management Accountants of London and Institute of Chartered Accountants of Nigeria. He is also a member of the Chartered Institute of Directors. He served as the President of the Noble Shareholders Solidarity Association (NSSA) up to August 2024. He is the Chairman of the Board of Directors of Creseada International Limited and an Independent Director of MRS Oil Plc. He also served as the Chairman of the Board of Nampak Nigeria Plc from 2006 to 2021, when he retired from the Board after many years of meritorious service as Executive and Non-Executive Director. He has also served as an Independent Director of NCR Nigeria Plc up to the year 2022.

He attended the Advanced Management Programme of Lagos Business School in 1994 and the International Graduate School of Management (IESE) Barcelona, among other management courses in Nigeria and abroad during his working career, which spanned over 30 years. He currently serves as Chairman of Audit Committees of a number of reputable public companies.

Statutory Audit Committee Members

S/N	Members	Role	Status	Educational Qualifications
1.	Vitalis Ekwem Anyiam	Chairman	Shareholder representative	FCIB, MBF, AM. Inst Co, ABSC
2.	Hauwa Umar, FCA	Member	Shareholder representative	FCA, ACITN, MBA, BSc
3.	Mathew Akinlade, FCA	Member	Shareholder representative	FCA, FCMA
4.	Dr (Sir) Peter Aliogo	Member	Independent Non-Executive Director	HND (Marketing), MBA (Banking & Finance), ACII, ANIM, PHD Bus. Admin
5.	Dr Julius Omodayo-Owotuga	Member	Non-Executive Director	CFA, BSc, MBA, DBA

Independence of the Statutory Audit Committee (SAC)

The autonomy of the SAC is fundamental to upholding public confidence in the reliability of its reports and the Company's Audited Financial Statements. The Committee has access to the external auditor to seek explanations and additional information. The Committee comprises five members as required in CAMA 2020; three members, including the Chairman, are shareholder representatives who are independent and accountable to the shareholders. The other two members are Directors. This composition underpins the independence of the SAC from executive influence.

Attendance at the Committee Meetings - The Committee met 4 times in 2024

NAMES	28 Mar	25 Apri	31 Jul	17 Dec
Kashimawo Taiwo, FCA [1]	✓	✓	✓	N/A
Vitalis Ekwem Anyiam	✓	✓	✓	✓
Hauwa Umar, FCA	✓	✓	✓	✓
Mathew Akinlade [2]	N/A	N/A	N/A	✓
Dr (Sir) Peter Aliogo	✓	✓	✓	✓
Khalifa Imam [3]	✓	N/A	N/A	N/A
Dr Julius Omodayo-Owotuga [4]	N/A	N/A	N/A	✓

✓ Attendance | N/A – Not Applicable

[1] Kashimawo Taiwo exited the Committee on 14 November 2024.
[2] Mathew Akinlade was elected on 14 November 2024.
[3] Khalifa Imam resigned from the Board on 31 March 2024.
[4] Dr Julius Omodayo-Owotuga replaced Khalifa Imam on the Committee.

The Responsibilities of the Committee

The statutory duties and role of the SAC are encapsulated in Section 404 (7) of CAMA. In addition, the various Codes of Corporate Governance, including the CBN and FRCN Codes, set out the roles and responsibilities of the SAC, which are to:

- Ascertain whether the Company's accounting and reporting policies 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 departmental responses thereon;
- Keep under review the effectiveness of the Company's system of accounting and internal control;

Effectiveness

- Make recommendations to the Board regarding the appointment, remuneration and removal of the external auditor of the Company, ensuring the independence and objectivity of the external auditor and ensuring there is no conflict of interest which could impair the independent judgement of the external auditor;
- Authorise the internal auditor to carry out investigations into any activity of the Company that may be of interest or concern to the Committee; and
- Assist in overseeing the integrity of the Company's financial statements and establishing and developing the internal audit function.

Group Executive Committee (GEC)

The GEC is the Management committee of the Group that meets quarterly or as required. The Committee's role is to ensure the implementation and alignment of the Group's strategy. The Committee met four times in 2024.

Membership

The GMD of FirstHoldCo Plc is the Chairman, while other members are:

- CEO, First Bank of Nigeria Limited
- MD/CEO, FBNQuest Merchant Bank Limited
- MD/CEO, FirstCap Limited
- MD/CEO, First Securities Brokers Limited
- MD/CEO, First Trustees Limited
- MD/CEO, First Insurance Brokers Limited
- Executive Director, Chief Financial Officer, First HoldCo Plc
- Executive Director, Chief Financial Officer, First Bank of Nigeria Limited
- Executive Director, Chief Risk Officer, First Bank of Nigeria Limited
- Head, Strategy and Corporate Development, First HoldCo Plc
- Company Secretary, First HoldCo Plc

Key Responsibilities

- Ensure overall alignment of the Group's strategy and plans;
- Review strategic and business performance against approved plans and budget of the Group and agree on recommendations and corrective actions;
- Promote the identification of synergies and ensure the implementation of synergy initiatives;
- Monitor the progress of the Group's synergy realisation initiatives and make recommendations;
- Discuss and monitor compliance with the Group's policies, such as risk management, internal audit and others; and
- Review and recommend modifications to the Group's policies.

Management Committee (MANCO)

The role of the Committee is to deliberate and make policy decisions on the efficient management of the Company.

Membership

The GMD of First HoldCo Plc serves as the Chairman, while the other members are:

- Executive Director, Chief Financial Officer
- Head, Risk Management
- Head, Investor Relations
- Head, Internal Audit
- Head, Strategy and Corporate Development
- Head, Human Resources
- Head, Marketing and Corporate Communications
- Company Secretary

Key Responsibilities

- Develop and review, on an ongoing basis, the Company's business focus and strategy, subject to the approval of the Board;
- Confirm the alignment of the Company's plan with the Group's overall strategy;
- Recommend proposals to the Board on the strategies to achieve the Group's objectives regarding investment and divestment activities; and
- Track and manage the strategic and business performance of the Group against approved plans and the budget.

Going Concern

The Board considers and assesses the Company annually and views the Company as a going concern, based on reports of assessments carried out by the Management into the Company's ability to continue in operation for the foreseeable future.

External Auditors

The external auditor for the 2024 financial year was Messrs. KPMG Professional Services (KPMG). FirstHoldCo complied with the CBN and FRCN codes in appointing the external auditor in the 2020 financial year and its retention thereafter.

2024 Audit Fees

The audit fee paid by FirstHoldCo (the Company) to the external auditor for the 2024 statutory audit was ₦50mn.

Prohibition of Insider Dealings

The Group has established structures to ensure compliance and communicate closed periods to insiders and the Nigerian Exchange Limited, in accordance with Section 17.2 of the Amendment to the Nigerian Exchange Limited's Listing Rules. The Registrars ensure that Directors, persons performing managerial functions, advisers and other persons with access to insider information, or their connected persons, are not permitted to trade in FirstHoldCo securities during this period.

Succession Planning

The Board Remuneration Nomination and Governance Committee (BRNGC) is responsible for the Group's succession planning process. The Committee identifies critical positions on the Board and at the Executive Management level deemed essential to achieving the Company's business objectives and strategies and significantly influencing the Group's operations. These critical positions include the following:

- Board Chairman
- Non-Executive Directors
- Executive Management
- Subsidiary Managing Directors
- Subsidiary Board Chairmen

To fill critical positions, the Committee sets the criteria for eligibility. The competency requirements outline the knowledge, skills and qualifications necessary for each position as well as the ethics, values and character. The Committee considers the Group's future needs and strategic objectives when determining the requisite competencies. In addition, these serve as a foundation for evaluating potential successors to identified critical positions and identifying skill gaps and development requirements. In conclusion, the Committee determines the scale of competency gaps and identifies the talent pool. For the Chairman's position, the existing Chairman of the Board will articulate the developmental needs of each Non-Executive Director on the Board, develop a plan to bridge those gaps and position them as potential successors.

For Non-Executive Directors, the Governance and Nomination Committee will conduct a detailed analysis of the existing Board's strengths and weaknesses, as well as skills and experience gaps, based on the tenure of Directors on the Board and current deficiencies while considering the Company's long-term business strategy and plans. Based on this assessment, the Committee defines the skills and competency profile that reflect the needs of the Board. For Executive Management positions, the Committee, in conjunction with the GMD, notes and reviews the skills and gaps of possible successors against required competencies.

Performance Monitoring

As part of its oversight role, the Board continually engages Management and contributes ideas to the Group's strategy, from the planning phase to execution. The Board holds annual retreat to plan and monitor strategy. Once defined, updates on specific strategic objectives become part of the ongoing Board agenda, allowing the Board to monitor and, if need be, refine the strategy implementation. During this process, the Board is continually updated on significant issues, risks or challenges encountered during strategy implementation across the Group and the controls developed to mitigate these risks.

The overall performance of the Group regarding the budget is presented to the Board to provide insight into achievements and to address challenges where they exist. The Group's financial and performance indicators are reviewed quarterly with the Board. The Board continuously assesses progress and confirms or guides on alignment with the Group's strategic goals and objectives. Peer benchmarking, which compares FirstHoldCo's performance to competitors, is also a regular part of Board meetings.

Effectiveness

REMUNERATION STRUCTURE

Introduction

This section provides stakeholders with an understanding of the remuneration philosophy and policy adopted at FirstHoldCo for Non-Executive Directors, Executive Directors and employees.

Remuneration Philosophy

FirstHoldCo's compensation and reward philosophy represents the values and beliefs that drive the Company's Compensation Policy. The compensation philosophy aligns with the Group's quest to attract and retain highly skilled personnel who will keep the Group ahead of the competition. Factors considered in reviewing the compensation packages include organisational policy, market positioning, the Group's financial performance, government policies, regulations, industry trends, inflation and the cost-of-living index.

Remuneration Strategy

FirstHoldCo's compensation and reward strategies aim to attract, reward and retain a motivated talent pool to drive the Company's values, ideology and strategic aspirations. The compensation strategy supports the corporate strategy, and the Company reviews its remuneration periodically, as required, to reflect changes in internal and external conditions. The compensation and reward strategies seek to position the Group as an employer of choice within its market by offering an attractive and sustainable compensation package. Compensation is differentiated and used to retain high-potential talent and drive the Company's desired culture and values.

Compensation Policy

The Group's Compensation Policy provides guidelines for the effective implementation and administration of the compensation strategy. The Company categorises the compensation structure into Remuneration, Perquisites and Benefits. Remuneration includes base pay and allowances, as well as performance-based bonuses and incentives, detailed as follows.

- Base pay is mainly cash-based and includes the salary component for the defined job grade. It is the basis for the computation of some allowances and most benefits. It is guaranteed and payable monthly in arrears as per the employment contract.
- Allowances are other pay items outside base pay and are structured to support living standards for respective grades. These allowances include housing, furniture, lunch and clothing. They are payable in cash and are paid monthly, quarterly, or yearly for liquidity planning and staff convenience. The Company separates allowances into those that form part of staff salary and those categorised purely as allowances.
- Bonuses and incentives are related to achieving organisational and individual targets and may be cash or non-cash, such as performance bonuses and commendation letters.
- Perquisites are usually lifestyle-oriented and designed to ensure comfort, motivation, commitment and staff retention, particularly for those at the senior level or with high potential. These may include status cars, power generators, gym equipment, etc.
- Benefits are entitlements that are usually attainable, subject to organisational conditions. They include leave, medical allowances and social club subscriptions. To guarantee staff convenience and in line with the Group's ethical stance of being socially responsible and a good corporate citizen, payments are structured while ensuring adequate cash flow for staff; the Group's remuneration policy conforms with all tax laws and other statutory regulations.

Executive Remuneration

The Group's policy on Executive remuneration aims to attract, motivate, incentivise and retain the best talents while keeping an eye on the prevailing economic outlook. The Board determines the remuneration for Executive Directors. Usually, it reflects competitive benchmarking in the industry while ensuring it adequately attracts and retains the best and most experienced individuals for the role. The consideration also applies to Non-Executive Directors entitled to Directors' fees, reimbursable expenses and sitting allowances.

BOARD COMPENSATION

Non-Executive Directors

In line with the FRCN and CBN Codes, Non-Executive Directors receive fixed annual fees and sitting allowances for their services to the Board and Board Committees. There are no contractual arrangements for compensation for loss of office. Non-Executive Directors do not receive short-term incentives or participate in any long-term incentive schemes.

Remuneration for Executive Directors

Remuneration for Executive Directors is performance-driven and restricted to base salaries, allowances, perquisites and performance bonuses. The Group continually ensures that its remuneration policies and practices remain competitive and align with its core values to incentivise and drive performance. Executive Directors are not entitled to sitting allowances. Please refer to Note 46 of FirstHoldCo's 2024 Financial Statements for more details on remuneration.

Highlights of the Company's Clawback Policy

The objective of the Clawback policy is to recover excess and undeserved rewards such as bonuses, incentives, profit sharing or any performance-based payment to the employee or ex-employee.

The policy would be triggered in the following instances:

i. Material misstatement or misleading or materially false Financial Statements; or
ii. An instance of misdemeanour, fraud, or material violation of the Company's policy; or
iii. Material Regulatory infraction; or
iv. Misconduct that may lead to damage to the Company's brand.

The clawback shall apply to any incentive-based compensation, bonuses, profit sharing, stock option or performance-based reward paid, awarded, received, or earned in the current period and the last six financial years.

The Clawback period shall apply to both serving and former Directors and staff.

Statement of Compliance

STATEMENT OF COMPLIANCE WITH THE NIGERIAN EXCHANGE LIMITED(NGX) LISTING RULES ON SECURITIES TRADING POLICY

In line with Section 14 of the Nigerian Exchange Limited (NGX) Amendments to the Listing Rules (Rules), we wish to state that we have adopted a code of conduct regarding securities transactions by our Directors, and it is in line with the required standard set out in the Rules.

FirstHoldCo's Securities Trading Policy (Policy) is embedded in the Board-approved Group Disclosure Policy and having made specific enquiries from all our Directors regarding compliance with the Policy, we hereby confirm to the best of our knowledge that our Board of Directors are compliant with FirstHoldCo's Securities Trading Policy and the Rules on Securities Trading.

Adewale Arogundade
Company Secretary

Peter Olufemi Otedola, CON
Group Chairman

STATEMENT OF COMPLIANCE WITH THE NIGERIAN CODE OF CORPORATE GOVERNANCE

In compliance with Principles 28.5 of the Nigerian Code of Corporate Governance, we wish to state that the NCCG governs the operations of First HoldCo Plc.

We hereby confirm that we comply with the NCCG to the best of our knowledge.

Adewale Arogundade
Company Secretary

Peter Olufemi Otedola, CON
Group Chairman

STATEMENT OF COMPLIANCE WITH THE NIGERIAN EXCHANGE LIMITED ON LISTING ON THE PREMIUM BOARD

In compliance with Section 4 of the Rules of the Nigerian Exchange Limited on Listing on the Premium Board, we wish to state that the SEC Corporate Governance Guidelines govern the operations of First HoldCo Plc.

We hereby confirm to the best of our knowledge that FirstHoldCo is in full compliance with the Guidelines.

Adewale Arogundade
Company Secretary

Peter Olufemi Otedola, CON
Group Chairman

CENTRAL BANK OF NIGERIA (CBN) AND SECURITIES AND EXCHANGE COMMISSION'S (SEC) CORPORATE GOVERNANCE GUIDELINES

In compliance with Section 4.2 of the Listings Rules of the Nigerian Exchange Limited on Listing on the Premium Board, we wish to state that the CBN and SEC Corporate Governance guidelines govern the operations of First HoldCo Plc.

We hereby confirm that we comply with the Guidelines to the best of our knowledge.

Adewale Arogundade
Company Secretary

Peter Olufemi Otedola, CON
Group Chairman

Whistleblowing Procedures

At FirstHoldCo, we are committed to fostering a culture of integrity, transparency, and accountability. We recognise that an ethical and open work environment is fundamental to maintaining the trust of our stakeholders, including employees, customers, investors, and regulators. As such, we encourage and empower all employees and stakeholders to speak up against any inappropriate, unlawful, or unethical conduct, with the assurance of strict confidentiality and protection from retaliation.

The Board of Directors of FirstHoldCo upholds the highest ethical standards and expects the same from all employees, officers, consultants, suppliers, business partners, and other stakeholders. Our Whistleblowing Policy serves as a critical mechanism for safeguarding the organisation's values and ensuring that FirstHoldCo remains a responsible and ethical corporate entity. Strict adherence to this policy is crucial in maintaining our ethical standards.

Whistleblowing Policy and Reporting Guidelines

The FirstHoldCo Whistleblowing Policy mandates that employees and stakeholders promptly report any suspected or actual instances of:

- Fraud, financial misreporting, or corruption
- Breach of regulatory requirements or corporate policies
- Harassment, discrimination, or workplace misconduct
- Bribery, abuse of power, or conflicts of interest
- Any other unethical, illegal, or improper conduct

Such concerns may involve employees, consultants, clients, customers, suppliers, contractors, business partners, or agents. Reports must be made in good faith, with the assurance that no whistleblower will suffer harassment, intimidation, victimisation, or any form of retaliation for raising a genuine concern.

To reinforce this culture of integrity, FirstHoldCo conducts a regular whistleblowing awareness campaign to educate employees about their rights and responsibilities under the policy, the importance of ethical behaviour, and the channels available for reporting concerns.

Investigation and Oversight

All reported concerns are handled with utmost confidentiality and professionalism. Escalated cases are subjected to a thorough, independent investigation, with findings reported to:

- The Board Audit Committee Chairman
- The Group Managing Director of FirstHoldCo
- The Head, Internal Audit, FirstHoldCo

Following the investigation, appropriate corrective actions are taken, which may include disciplinary measures, process improvements, or legal actions, depending on the nature and severity of the misconduct. The whistleblower is also kept informed on the progress and outcome of their report, where possible.

Whistleblowing Procedures

Confidential and Anonymous Reporting Channels

Whistleblowers may submit their concerns through any of the following confidential and secure channels:

- Formal Letter: Addressed to the Group Managing Director and/or the Head, Internal Audit, FirstHoldCo
- Telephone Hotline: Dedicated whistleblowing number +234 817 597 8505
- Email: Secure whistleblowing email FirstHoldCoWhistleBlowing@first-holdco.com

For detailed guidance on reporting procedures, stakeholders can access the FirstHoldCo Whistleblowing Policy at: first-holdco.com/wp-content/uploads/2025/02/WHISTLE-BLOWING-POLICY-AND-PROCEDURE-2024-1.pdf

When submitting a report, whistleblowers should provide all relevant background details, including:

- The nature of the concern
- Specific incidents or evidence (with dates and times, where applicable)
- Any individuals or entities involved

Escalation to Regulatory Authorities

In instances where a whistleblower prefers to report externally, concerns may be escalated directly to the appropriate regulatory bodies, including:

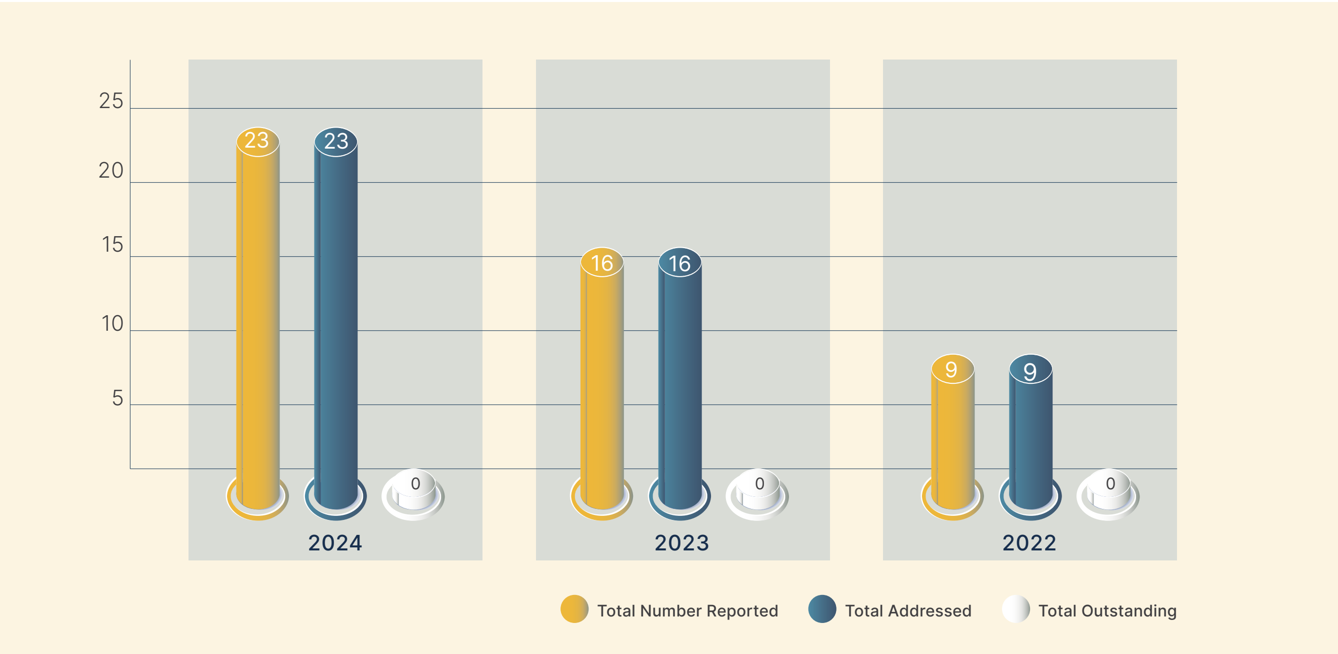
- Central Bank of Nigeria (CBN): anticorruptionunit@cbn.gov.ng
- Nigeria Deposit Insurance Corporation (NDIC): info@ndic.org.ng / helpdesk@ndic.org.ng
- Securities and Exchange Commission (SEC): sec@sec.gov.ng
- National Insurance Commission (NAICOM): info@naicom.gov.ng
- National Pension Commission (PenCom): info@pencom.gov.ng
- Nigeria Exchange Limited (NGX): contactcenter@ngxgroup.com

Commitment to a Speak-Up Culture

At FirstHoldCo, ethical behaviour and accountability are at the heart of our operations The Group is committed to protecting whistleblowers, promoting corporate integrity, fostering business ethics, and upholding a culture of transparency. By providing a secure and effective platform for reporting concerns, the Group reinforces its commitment to corporate governance, ethical leadership, and responsible business practices.

Additionally, employees and stakeholders are encouraged to remain vigilant and to speak up whenever they witness unethical conduct, knowing that their reports will be handled with the highest level of confidentiality, fairness, and professionalism.

FirstHoldCo Three-Year Analysis of Whistleblowing Cases



Directors' Report

The Directors present their report on the affairs of First HoldCo Plc ('the Company' and formerly known as FBN Holdings Plc), together with the audited financial statements and auditors' report for the year ended 31 December 2024.

a. Legal Form

The Company was incorporated as a private limited liability company in Nigeria in 2010 and was converted to a public company in September 2012, when it commenced operations. The Company's shares were listed on the floor of the Nigerian Exchange Limited (formerly known as the Nigerian Stock Exchange) on 26 November 2012, after the shares of the erstwhile First Bank of Nigeria Plc were delisted on 23 November 2012.

b. Principal Activity and Business Review

The Company's principal activity is raising and allocating capital and resources. The Company is responsible for managing shareholders, coordinating Group-wide financial reporting to shareholders and investors, and managing external relations with the Group. It also develops and coordinates the implementation of the Group's strategies.

The Company has eight direct subsidiaries, namely: First Bank of Nigeria Limited, FBNQuest Merchant Bank Limited, FirstCap Limited, First Trustees Limited, First Insurance Brokers Limited, First Asset Management Limited, First Securities Brokers Limited, Rainbow Town Development Limited, and many indirect subsidiaries. The financial results of all the subsidiaries have been consolidated in these financial statements.

c. Operating Results

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

	Group		Company	
	31 December 2024 ₦'mn	31 December 2023 ₦'mn	31 December 2024 ₦'mn	31 December 2023 ₦'mn
Gross earnings	**3,212,649**	1,561,773	**34,194**	21,021
Profit before minimum tax	**796,467**	356,148	**26,261**	15,192
Minimum tax	**(14,584)**	(8,282)	**(36)**	(21)
Profit after minimum tax	**781,883**	347,866	**26,225**	15,171
Income tax expense	**(118,393)**	(39,433)	**(1)**	(1)
Profit for the year from continuing operations	**663,490**	308,433	**26,224**	15,170
Profit for the year from discontinued operations	**13,515**	1,937	**-**	-
Profit for the year	**677,005**	310,370	**26,224**	15,170
Profit attributable to:				
Non-controlling interests	**6,206**	2,167	**-**	-
Equity holders of the parent entity	**670,799**	308,203	**26,224**	15,170
	677,005	310,370	**26,224**	15,170
Earnings per share (kobo) - Basic	**1,869**	859	**73**	42
Earnings per share (kobo) - Diluted	**1,869**	859	**73**	42

Directors' Report

d. Dividend

The Board of Directors, pursuant to the powers vested in it by the provisions of Section 426 of the Companies and Allied Matters Act (CAMA) 2020, has recommended a dividend of 60 kobo per ordinary share of 50 kobo each, amounting to ₦25,126,704,955 (2023: ₦14,358,117,116.40). Withholding tax will be deducted at the time of payment.

e. Directors' Shareholding

The direct and indirect interests of Directors in the issued share capital of the Company as at 31 December 2024, as recorded in the register of Directors' shareholding and/or as notified by the Directors for the purposes of Sections 301 and 302 of CAMA 2020 and the listing requirements of the Nigerian Exchange Limited, are noted as follows:

	31 December 2024		31 December 2023	
Directors' Shareholdings (Direct and Indirect)	Direct	Indirect	Direct	Indirect
Peter Olufemi Otedola, CON	1,689,811,721	2,543,981,608	40,033,982	1,989,342,376
Adebowale Oyedeji*	14,546	20,301	14,546	20,301
Dr Alimi Abdul-Razaq	-	-	-	-
Kofo Dosekun	-	-	-	-
Dr (Sir) Peter Aliogo	-	-	-	-
Dr Abiodun Fatade	-	-	-	-
Dr Julius Omodayo-Owotuga	-	-	-	-
Olusegun Alebiosu**	11,639,483	-	11,639,483	-
Oyewale Ariyibi	4,008,850	-	4,008,850	-

*Appointed with effect from 13 November 2024.

**Appointed with effect from 30 July 2024.

f. Shareholding Analysis

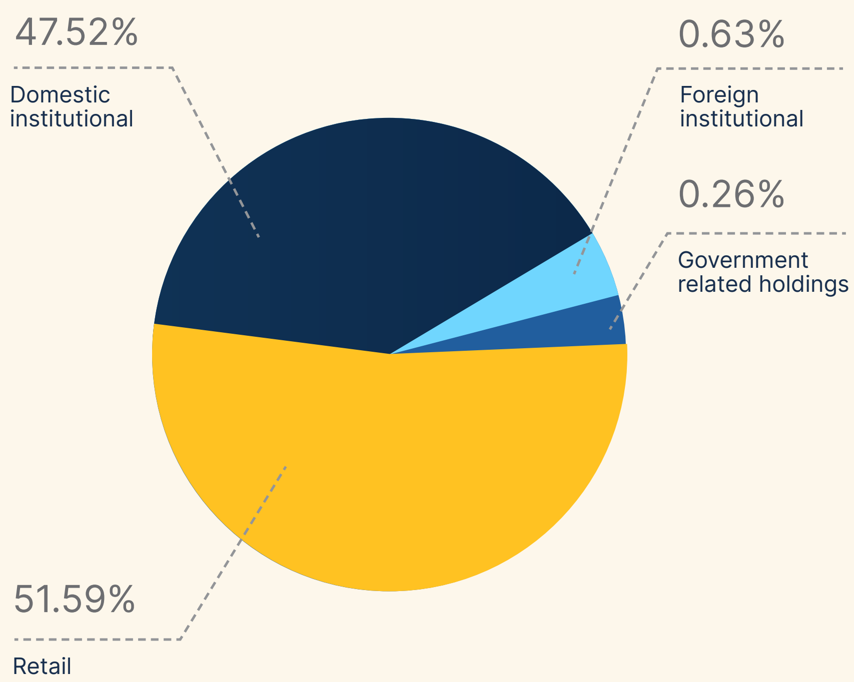
First HoldCo Plc - Range Analysis as at 31 December 2024

Range	No. of Holders	% Holders	Units	% Units
1 - 1,000	299,008	25.14	214,262,708	0.60
1,001 - 5,000	489,459	41.15	1,175,683,084	3.28
5,001 - 10,000	167,710	14.10	1,153,027,152	3.22
10,001 - 50,000	196,541	16.52	3,974,150,519	11.07
50,001 - 100,000	19,154	1.61	1,333,719,111	3.72
100,001 - 500,000	14,617	1.23	2,862,410,494	7.97
500,001 - 1,000,000	1,582	0.13	1,103,364,718	3.07
1,000,001 - 5,000,000	1,143	0.10	2,111,391,166	5.88
5,000,001 - 10,000,000	109	0.01	747,401,748	2.08
10,000,001 - 50,000,000	87	0.01	1,798,396,455	5.01
50,000,001 - 100,000,000	8	-	611,615,616	1.70
100,000,001 - ABOVE	28	-	18,809,870,021	52.40
TOTAL	**1,189,446**	**100**	**35,895,292,792**	**100**

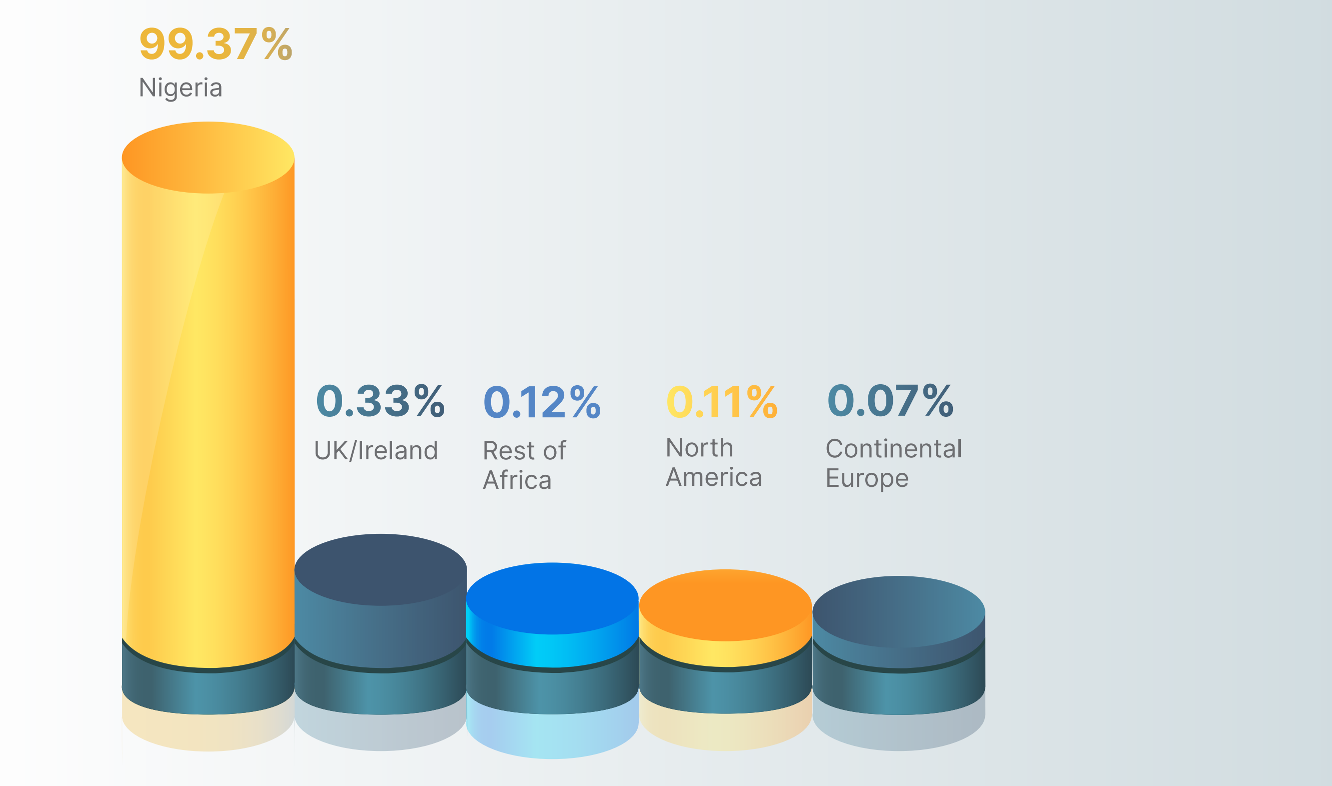
First HoldCo Plc - Range Analysis as at 31 December 2023

Range	No. of Holders	% Holders	Units	% Units
1 - 1,000	295,871	24.880	213,489,520	0.59
1,001 - 5,000	489,679	41.170	1,176,142,002	3.28
5,001 - 10,000	168,285	14.150	1,156,542,930	3.22
10,001 - 50,000	198,034	16.650	4,003,958,599	11.15
50,001 - 100,000	19,434	1.630	1,352,633,660	3.77
100,001 - 500,000	15,007	1.260	2,940,600,079	8.19
500,001 - 1,000,000	1,618	0.140	1,127,222,252	3.14
1,000,001 - 5,000,000	1,178	0.100	2,164,123,468	6.03
5,000,001 - 10,000,000	126	0.010	882,581,316	2.46
10,000,001 - 50,000,000	95	0.010	1,920,377,743	5.35
50,000,001 - 100,000,000	15	-	977,599,366	2.72
100,000,001 - ABOVE	34	-	17,980,021,857	50.09
TOTAL	**1,189,376**	**100**	**35,895,292,792**	**100**

Shareholder Analysis as at 31 December 2024



Geographical Breakdown of Shareholders



Total: 100.00%

g. Substantial Interest in Shares

According to the Register of Members as at 31 December 2024, the detail of the substantial shareholder is noted as follows:

Name	Status	Units	% Units
Peter Olufemi Otedola, CON	Direct Holding	1,689,811,721	4.71
Peter Olufemi Otedola, CON (Calvados Global Services Limited)	Indirect Holding	2,543,981,608	7.09
Barbican Capital Limited	Direct Holding	3,104,505,355	8.65
		7,338,298,684	

h. Directors' Interests in Contracts

For Section 303 of the Companies and Allied Matters Act 2020, none of the Directors had a direct or indirect interest in contracts or proposed contracts with the Company during the year.

i. Donation and Charitable Gifts

As a non-operating financial holding company, the Company did not make any donations during the year ended 31 December 2024. However, the subsidiaries of the Company, as operating entities, made donations to various worthy causes.

j. Property and Equipment

Information relating to changes in property and equipment is given in Note 30 to the Accounts. 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.

k. Post Balance Sheet Events

There are no events after the reporting date that could have had a material effect on the financial position of the Group as at 31 December 2024 and the profit attributable to equity holders for the year ended as at that date.

l. Human Resources Policy

Recruitment

The Company conforms to all regulatory requirements in staff employment while ensuring that only fit and proper persons are approved for appointment to the Board or top Management positions. All prescribed pre-employment screening for prospective employees and other regulatory confirmations for top Management appointments are duly implemented and obtained as required.

Employment of Persons with Disabilities

First HoldCo Plc is an equal opportunity employer and does not discriminate based on race, religion, disability, ethnicity, or other non-merit factors. We provide all our employees with the right environment to reach their career goals and attain their highest potential.

Employee Involvement and Training

The Company encourages employee participation in decision-making and provides opportunities such as town hall meetings for employees to deliberate and provide inputs on decisions therein. The Company places a high premium on the development of its workforce. Consequently, the Company sponsored its employees for various training courses in the year under review.

Health, Safety and Welfare at Work

The Company maintains business premises designed to guarantee safe and healthy working conditions for its employees. Employees are adequately insured against occupational and other hazards. Since the outbreak of the COVID-19 pandemic, emergency preparedness and response to protocols were strengthened under the steering of the Incident Management Team. Remote work was also sustained to enable employees to leverage technology while working remotely.

The Company provides comprehensive health insurance coverage for staff and their immediate family members. Fire prevention and fire-fighting equipment are installed in strategic locations within the Company premises.

The Company operates a Group Life and Group Personal Accident (formerly known as Workmen's Compensation) Insurance cover and makes Employee Compensation Act contributions for the benefit of its employees. It also operates a contributory pension plan in line with the Pension Reform Act of 2004 (amended in 2014).

Gender Analysis

The number of men and women employed by FirstHoldCo as at 31 December 2024 and as a percentage of the total workforce is as follows:

	Male	Female	Male	Female
	Number		%	
Employees	29	12	71	29

Directors' Report

31 December 2023

	Male	Female	Male	Female
	Number		%	
Employees	29	12	71	29

The same gender analysis, in terms of Board and Top Management as at 31 December 2024, is as follows:

	Male	Female	Total	Male	Female
	Number			%	
Board	8	1	9	89	11
Top Management (AGM - GM)	5	1	6	83	17

31 December 2023

	Male	Female	Total	Male	Female
	Number			%	
Board	11	1	12	92	8
Top Management (AGM - GM)	5	1	6	83	17

m. Auditors

In accordance with Section 401(2) of the Companies and Allied Matters Act (CAMA) 2020 and Section 20.2 of the Nigerian Code of Corporate Governance 2018, Messrs. KPMG Professional Services have indicated their willingness to continue in office as auditor to the Company.

BY ORDER OF THE BOARD

Adewale Arogundade
Company Secretary
FRC/2014/NBA/00000006810
21 March 2025
Lagos, Nigeria.

Report on the Outcome of the Board and Corporate Governance Evaluation Exercise

for the year ended 31 December 2024

PricewaterhouseCoopers ("PwC") was engaged to carry out an evaluation of the Corporate Governance practices of First HoldCo Plc. ("the Company") and an evaluation of the Company's Board of Directors as required by Principle 15.1 and 14.1 of the Nigerian Code of Corporate Governance ("NCCG") 2018, the SEC Corporate Governance Guidelines 2021 ("SCGG") and the CBN Corporate Governance Guideline for Financial Holding Companies in Nigeria 2023 ("the CBN Guidelines") for the period ended 31st December 2024.

Our responsibility was to reach a conclusion on the Corporate Governance practices of the Company and the Board of Director's performance within the scope of our Letter of Engagement dated 17 January 2025.

In carrying out the evaluation, we relied on representations made by members of the Board, the Management of the Company, and on the documents provided for our review.

We also facilitated a Self and Peer Assessment of each Director's performance in the year under review. This assessment covered each Director's time commitment to the business of the Company and continuous learning and development. Each Individual Director's Assessment Report is prepared and made available to them respectively, while a consolidated report of the performance of all Directors is submitted to the Company's Board Chairman.

The Company and the Board of Directors have complied significantly with the provisions of the Codes. Areas of compliance include oversight over:

- the activities of Senior Management;
- the Bank's internal and external audit functions; and
- the implementation of the Bank's strategic objectives.

Details of other findings and recommendations are contained in the full report.

Yours faithfully,

Wura Olowofoyeku
Partner
FRC/2017/PRO/ICAN/004/00000016809
for: PricewaterhouseCoopers

Risk Overview

The Group implements a proactive risk management framework that leverages data analytics to navigate key challenges and secure long-term stakeholder value.

The Group Risk Management Review

The global and local economic landscape experienced a significant evolution in the previous year, characterised by a marked deceleration in global economic growth. This slowdown was driven by a confluence of factors, including uncertainty in regulatory policies, adverse trade policy developments, and intensifying geopolitical tensions.

Undeterred by the challenging landscape, the Group reaffirms its unwavering commitment to fostering long-term sustainability and value creation for its stakeholders. To accomplish this objective, the Group not only refines its risk management framework but also adopts a proactive and adaptable approach, harnessing cutting-edge data analytics and expertise to anticipate, assess, and mitigate potential risks. This proactive approach fortifies the Group's defences against external disruptions, facilitating sustained growth and success.

Key Risks and Challenges

- **Geopolitical Instability:** The 2024 Russia-NATO standoff heightened tensions, leading to a ban on Russian oil exports and disruptions in global energy markets. This instability exacerbated supply chain issues, increased prices, and heightened economic uncertainty. Ongoing conflicts in the Middle East and Ukraine further disrupted global trade, intensified price fluctuations, and worsened regional economic vulnerabilities.

- **Inflationary Pressures:** Nigeria's prolonged high inflation, compounded by a weakening currency and external pressures, adversely affecting consumer purchasing power and increasing operational expenses for the Group.

- **Domestic Economic Challenges:** The Nigerian economy is confronted with numerous challenges, comprising insecurity, escalating cybercrimes, skilled workforce emigration (brain drain), and elevated unemployment rates, resulting in a multifaceted and high-risk business environment.

- **Cybersecurity Threats:** The rapid digitalisation of banking services and increasing reliance on technology expose the Group to evolving cybersecurity threats, including sophisticated attacks on financial infrastructure, ransomware incidents, and data breaches.

- **Evolving Technologies:** The increasing availability and evolution of affordable technologies continue to lower industry entry barriers and expand financial service offerings, providing customers with more options. This challenges market share, necessitating continuous innovation and adaptation by the Group.

- **Climate and Environmental Risks:** Rising climate-related risks, including flooding and desertification, pose significant threats to physical assets and disrupt the agricultural and industrial sectors, thereby impacting the Group's credit exposure and operational continuity.

- **Regulatory and Policy Shifts:** Heightened regulatory scrutiny, including Central Bank interventions in foreign exchange markets and stricter compliance requirements, increases operational complexity and affects profitability. Additionally, shifting monetary policies worldwide contributes to market volatility.

The potential impact of these risks on earnings, capital, liquidity, and stakeholder interests is carefully assessed to determine their relative significance. While management actively identifies, monitors, and mitigates these risks, the Board provides robust oversight through its Risk Management Committee, which convenes regularly to review and provide guidance on risk management practices.

Risk Management Framework and Approach

The Group's risk management approach is anchored in its robust Enterprise Risk Management framework (ERM). This framework, calibrated to the Board's defined risk tolerance and capital/liquidity parameters, facilitates a holistic and unified risk management process across the entire organisation, encompassing risk identification, evaluation, monitoring, and mitigation.

The Group Risk Management Review

- **Robust Risk Governance:** The Board of Directors establishes the organisation's risk management governance and provides oversight to ensure the ERM framework's effectiveness. Senior Management drives ERM framework implementation, fostering a culture of risk awareness, responsibility and accountability among all employees and promoting informed decision-making that thoughtfully balances risk and opportunity.

- **Comprehensive Risk Identification and Assessment:** The Group employs a robust risk management framework that systematically identifies, assesses, and prioritises potential risks across financial, operational, strategic, compliance, and environmental dimensions, enabling proactive mitigation and management of threats.

- **Effective Controls and Monitoring:** Customised risk mitigation measures and controls deployed across all operating entities, complemented by robust monitoring and reporting systems, enable swift identification and response to emerging risks.

- **Continuous Improvement:** The Group periodically reviews and refines its ERM framework to stay aligned with evolving regulatory requirements, industry best practices, and changing risk landscapes.

The core of the ERM framework is in the Three Lines of Defence (3LoD) model, which delineates clear roles and responsibilities to ensure comprehensive risk oversight and management:

1

First Line of Defence: The Group's business units and risk owners proactively identify, assess, and manage risks. They implement mitigation strategies and adhere to established frameworks. Enhanced by the integrated Governance, Risk, and Compliance Solutions (iGRCS) platform, this collaborative approach fosters a mature risk culture through streamlined risk management activities and proactive engagement.

2

Second Line of Defence: Independent functions – The Second Line, comprising Risk Management, Compliance, and Internal Control, establishes robust risk management frameworks. They guide the First Line through risk assessments, risk control validation and testing of risk management practices. With continuous dialogue and knowledge transfer, their oversight role fosters a strong and effective risk management ecosystem.

3

Third Line of Defence: Internal Audit provides independent reviews and assurance on the effectiveness and efficiency of the ERM framework and internal controls, identifying vulnerabilities and recommending improvements through rigorous assessments.

Risk Identification, Measurement, and Monitoring

The Group employs robust methodologies for risk identification, measurement, and monitoring. This includes:

- **Regular risk assessments:** Conducted across all business entities and covering all relevant risk categories (e.g., credit, market, operational, liquidity, etc.).
- **Quantitative and qualitative risk assessment techniques:** Utilising data analytics, scenario modelling, and expert judgment to assess the likelihood and impact of potential risks.
- **Integrated reporting:** Timely and accurate reporting of risk data to management and stakeholders, including the Board of Directors.

Risk Appetite and Governance

The Group's risk appetite framework balances risk and reward, guiding its risk management strategy. Calculated risks drive growth and innovation while mitigating potential downsides. This approach is embedded in its governance structure, fostering informed risk-taking that optimises returns and delivers sustainable value. A robust risk governance framework ensures adherence to the risk appetite and includes the following:

- **Board Risk Management Committee:** Provides strategic oversight and guidance on risk management practices.
- **The Executive Management:** Ensures the relevance of the Group's strategic risk management system, considering its scope, nature, and the intricacy of its tasks. They proactively anticipate risks, establish risk tolerance levels, and manage changes in an established strategic direction.

- **Group Risk Stakeholders Committee (GRSC):** Oversees the relationship between FirstHoldCo and its subsidiaries' risk management functions.
- **Embedded Risk Management:** Integrates risk considerations into all decision-making processes across the organisation.

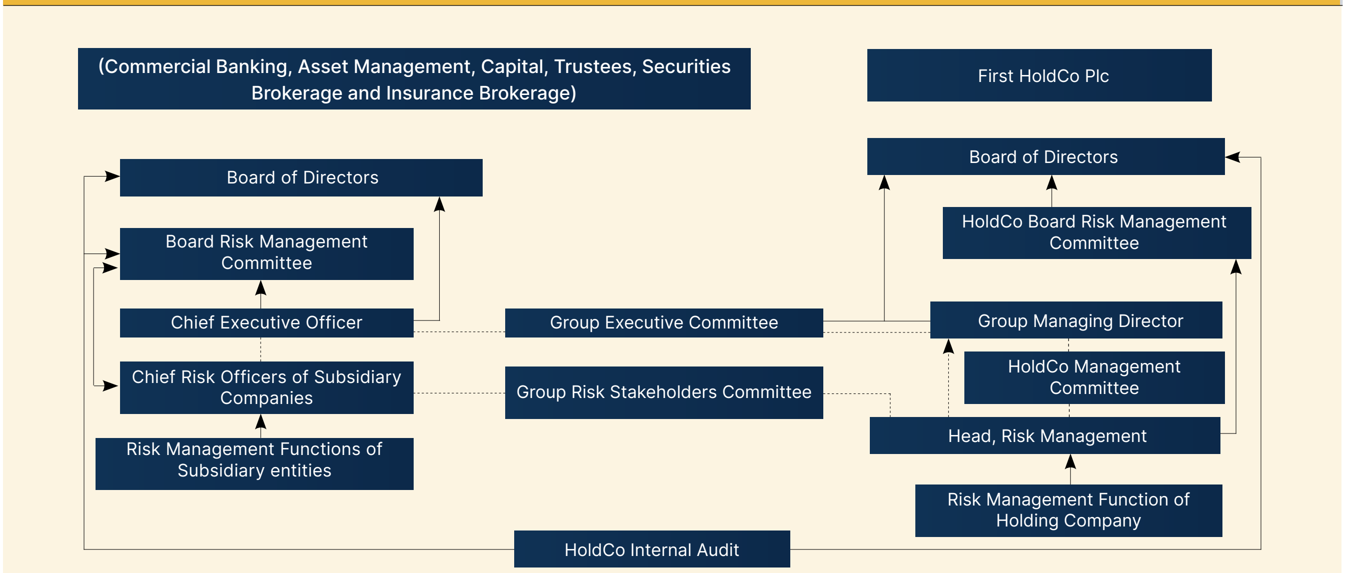
Risk Culture

The Group promotes a strong risk culture and empowers all employees to identify, understand, and manage risks by:

- Delivering comprehensive training programmes across all levels, focusing on key risk management areas such as risk identification, assessment, mitigation, and regulatory compliance. These programmes are presented in a variety of engaging formats, including:
  - **Computer-based training (CBT) modules:** Interactive online training modules offer a comprehensive introduction to essential risk management principles. To reinforce learning, immersive role-playing exercises and real-world case studies allow employees to apply theoretical knowledge in practical, scenario-based settings, ultimately strengthening their risk identification and mitigation skills.
  - **Interactive workshops and seminars:** Interactive facilitated sessions foster collaborative learning, enable expert knowledge sharing, and provide hands-on application of risk management concepts, enabling participants to deepen their understanding and practical skills.
  - **Regular newsletters and fliers:** These serve as essential tools for providing regular updates on emerging risks, regulatory developments, and industry best practices. These communications ensure that employees remain informed, up-to-date, and actively engaged in managing risks and driving business resilience.
- Promoting open communication where employees are encouraged to report concerns and potential risks without fear of reprisal fosters a culture of transparency and accountability. Reporting channels include:
  - **Risk champions:** A cross-functional network of trained employees serves as a trusted resource for colleagues seeking risk management guidance or wishing to report concerns. This network comprises Business Operational Risk Managers (BORMs), Unit Operational Risk Managers (UORMs), Operational Risk Champions (ORCs), and Business Continuity Management (BCM) Champions.
  - **Regular town hall meetings and forums**
  - **Internal communication platforms:** Internal online platforms and employee intranet provide a centralised hub for disseminating risk-related information, updates, and resources, thereby ensuring that employees remain informed and engaged.
  - **Performance incentives aligned with risk management principles:** Performance incentives are structured to reinforce responsible risk-taking principles, aligning employee rewards with the organisation's risk management objectives.

The ERM framework is subject to ongoing review and improvement, ensuring that it remains relevant, effective, and aligned with the Group's evolving business environment and risk profile.

The Group Risk Governance Model



Emerging Risks

The Group adopts a proactive approach to navigate the continually evolving landscape of emerging risks, both locally and globally. This approach, aimed at preserving business continuity and fostering future growth, prioritises building resilience against both internal and external disruptions. We monitor a wide range of potential risks, including cybersecurity threats, socio-political uncertainties, and evolving regulatory landscapes. This comprehensive approach enables us to minimise exposure to threats and vulnerabilities, ultimately safeguarding the interests of all stakeholders.

Key Emerging Risks in 2025:

Cyber-Enabled Financial Crime

The increasing sophistication of cyber-attacks, combined with the rising use of digital payment systems, heightens the risk of financial crimes such as identity theft, phishing, and ransomware attacks. These attacks can result in financial losses, reputational damage, and legal liabilities for the Group.

Key Mitigating Actions:

The Group uses advanced AI-powered security tools to detect and respond to cyber threats in real-time. We implement multi-factor authentication, biometrics, and behavioural analytics to prevent unauthorised access. Regular penetration testing and vulnerability assessments are conducted, and employees are actively trained on cybersecurity's best practices.

Regulatory Compliance Risks

Evolving regulatory requirements, particularly regarding data privacy and anti-money laundering, pose significant compliance challenges for the Group. Non-compliance can lead to hefty fines, legal actions, and reputational damage, making it imperative for the Group to address these risks.

Key Mitigating Actions:

A comprehensive compliance framework that outlines regulatory requirements and risk management strategies has been developed. Employees training on regulatory requirements and compliance procedures is prioritised, and technology to automate compliance monitoring, reporting, and risk management is utilised.

Geopolitical and Socio-political Uncertainties

Rising geopolitical tensions and localised security challenges, including political instability, social unrest, and insurgency, present significant risks to operational stability and the safety of personnel and assets. These uncertainties can disrupt operations, incur financial losses, and threaten the safety of our workforce and assets.

Key Mitigating Actions:

Implementing robust crisis management plans, maintaining close communication with local authorities and adapting security protocols to evolving threats.

Artificial Intelligence (AI) and Machine Learning (ML) Risks:

As the Group enhances risk management through reliance on AI and ML tools, new risks related to model bias, data quality, and explainability will emanate. These can lead to inaccurate credit decisions, unfair lending practices, and reputational damage.

Key Mitigating Actions:

Establish guidelines for AI/ML development, deployment, and monitoring. Ensure AI/ML models are regularly reviewed, updated, and retrained to prevent drift and bias.

Emerging Risks

Key Emerging Risks in 2025:

Talent Management	Operational Resilience Risks	Evolving Regulatory, Environmental, Social, and Governance (ESG) Risks	Macroeconomic Pressures
Talent management has become a significant area of emerging risk. With the increasing demand for digital skills, competition for top talent has intensified, and organisations are struggling to attract, retain, and upskill their workforce. The Great Resignation, demographic shifts, and changing workforce expectations create a perfect storm that threatens organisational resilience and adaptability to emerging risks. If unaddressed, talent management risks can result in knowledge gaps, decreased productivity, and compromised risk management capabilities, ultimately impacting an organisation's long-term sustainability and success.	Increasing demand for operational resilience amid growing cyber threats, third-party risks, and other disruptions can impact the Group's ability to provide critical services to customers.	The financial services ecosystem is undergoing pressure to effectively manage ESG risks, including climate change, diversity and inclusion, and supply chain disruptions, which can impact reputation, regulatory compliance, and long-term sustainability.	Global economic headwinds, such as rising interest rates, currency volatility, and decreased foreign direct investment, create a challenging macroeconomic environment that impacts profitability and long-term strategic goals.
Key Mitigating Actions:	**Key Mitigating Actions:**	**Key Mitigating Actions:**	**Key Mitigating Actions:**
The Group is committed to aligning talent management with business objectives by anticipating future skill requirements and workforce needs. We identify skills gaps, assess employee potential, and create targeted development programmes. Our focus on creating a compelling employer value proposition ensures we can attract top talent.	Establish guidelines for operational resilience, including risk management, incident response, and business continuity as well as utilising technology to automate incident response, including detection, response, and recovery.	Establish guidelines for ESG risk management, including risk identification, assessment, and mitigation. Develop and implement sustainable business practices, including energy efficiency, waste reduction, and diversity and inclusion. Engage with stakeholders, including investors, customers, and employees, to understand their ESG expectations and concerns.	Diversify revenue streams to reduce dependence on specific markets or currencies, implement robust risk management strategies to hedge against currency fluctuations, and maintain a strong balance sheet to ensure liquidity and flexibility. Invest in digital transformation and process automation to enhance efficiency and reduce costs.

Principal Risks

As a diversified financial institution, the Group is exposed to a broad spectrum of risks across its operating entities. The Boards of all subsidiaries and First HoldCo Plc receive regular reports on key risk areas, including strategic, cybersecurity, credit, market, liquidity, operational, legal, regulatory, reputational, and sustainability risks.

Strategic Risk

Risk definition

Strategic risk arises from potential failure to meet strategic goals or objectives due to adverse business decisions, inadequate execution, or failure to adapt successful strategies to changing market conditions.

Risk impact

The potential impact of strategic risk on the Group is significant and far-reaching. In extreme cases, it could lead to business failure. In less severe scenarios, it can result in:

- **Reduced profitability:** Missed opportunities and strategic missteps can negatively impact earnings and revenue generation.
- **Erosion of capital:** Poor strategic choices can negatively impact the Group's financial performance, leading to reduced profitability and capital depletion.
- **Loss of market share:** Failing to adapt to evolving customer needs and industry trends can result in competitors gaining an edge and the Group losing its market position.
- **Increased costs:** Inefficient resource allocation and poorly executed strategies can lead to higher operating expenses.
- **Reduced employee morale:** A lack of clear direction and strategic focus can demotivate employees and hinder productivity.
- **Erosion of stakeholder confidence:** Investors, customers, and regulators may lose faith in the Group's leadership and prospects.

Risk exposures

The Group's exposure to strategic risk stems from several factors, including:

- **Competition:** The highly competitive nature of the Nigerian financial sector demands constant innovation and adaptation to maintain market share.
- **Technological advancements:** Technology continues to advance disrupting traditional business models and creating new opportunities and/or threats, requiring the Group to be agile and adaptable.
- **Regulatory changes:** Evolving regulatory requirements can impact the Group's operations and strategic plans, necessitating close monitoring to ensure continued compliance.
- **Economic uncertainties:** Fluctuations in the global and Nigerian economies introduce unforeseen challenges that often require adjustments to the Group's strategy.

Risk measurement

The Group utilises a multi-pronged approach to measure its strategic risk:

- **Key performance indicators (KPIs):** Metrics such as market share growth, profitability, and customer satisfaction are tracked to assess the effectiveness of the Group's strategic initiatives.
- **Key risk indicators (KRIs):** Early warning indicators like customer churn, regulatory non-compliance, and talent attrition are monitored to identify potential risks that could derail the Group's strategy.
- **Scenario planning:** Different potential future scenarios are analysed to assess the Group's resilience to various challenges and opportunities.
- **Stress testing:** The Group's financial models are subjected to stress tests to gauge their ability to withstand adverse economic conditions.

Risk mitigation

The Group proactively employs various strategies to mitigate its strategic risk:

- **Robust strategy development process:** A well-defined and comprehensive process involving all relevant stakeholders ensures that the Group's strategy is aligned with its vision and mission.
- **Clear strategic objectives and KPIs:** Measurable and realistic objectives ensure that the Group focuses its resources on achieving its desired outcomes.
- **Effective strategy execution capabilities:** Strong governance structures and skilled personnel ensure that the Group's strategy is effectively implemented across all levels of the organisation.
- **Scenario planning and innovation culture:** Proactive planning for potential disruptions and fostering a culture of innovation allow the Group to adapt to changing market conditions.
- **Continuous monitoring and evaluation:** Regular reviews of the Group's strategy and performance ensure that it remains relevant and effective in the evolving environment.

Risk monitoring

The Group continuously monitors its strategic risks through various mechanisms:

- **Executive Management and Board oversight:** Regular reporting and discussion of strategic risks ensure that they remain a top priority for Senior Management.
- **Performance dashboards:** Real-time data and insights into key metrics enable the Group to track progress and identify potential issues early on.
- **Internal audit and risk assessments:** Regular reviews by Internal Audit and Independent Risk Consultants help identify and address vulnerabilities in the Group's strategy.

Information and Cybersecurity Risk

Risk definition

Cybersecurity risk refers to potential losses, disruptions, or reputational damage from information system failures, manipulation, or misuse, including threats from remote working environments, cloud services, APIs, third-party breaches, credential misuse, and evolving cyber-attacks.

Risk impact

Cybersecurity risks can lead to operational disruptions, data breaches, financial losses, and reputational damage, ultimately eroding customer trust and confidence.

Risk exposures

The Group remains exposed to cybersecurity risks due to various internal and external factors:

- Increased sophistication of threat actors, including AI-enabled cyberattacks.
- Security challenges in hybrid and remote work environments.
- Increased reliance on cloud services and APIs, introducing new attack sources.
- Breaches originating from third-party vendors and service providers.

Principal Risks

- Compromised passwords and unauthorised system access.
- The proliferation of connected devices amplifies the potential for phishing, malicious code, and malware attacks.
- Vulnerabilities arise from inadequate data storage systems or outdated technologies.

Risk measurement

As of the full year 2024, the Group's residual cybersecurity risk assessment reflects the evolving global cyber threat landscape. Key indicators used to evaluate its cybersecurity posture include:

- Minimal cyber-related incidents and financial losses.
- Effective training and awareness among staff regarding cybersecurity best practices.
- Proactive use of intelligent systems for real-time vulnerability monitoring.
- Adherence to testing and patching timelines for system updates.
- Effective management of system end-of-life to mitigate obsolescence risks.
- Safe adoption of emerging technologies with minimal exposure to threats.

Risk mitigation

The Group employs a multifaceted strategy to mitigate cybersecurity risks and maintain operational resilience:

- Enforcing Second-Factor Authentication (2FA) on critical applications to minimise unauthorised access.
- Maintaining maker-checker protocols on financial applications to ensure dual verification of transactions.
- Evaluating SIM Swap-related operations to mitigate risks associated with USSD channels.
- Implementing robust patch management frameworks to address vulnerabilities promptly.
- Enhancing endpoint protection and incident response with Extended Detection and Response (XDR/EDR) solutions.
- Operationalising data loss prevention (DLP) projects to safeguard sensitive information.
- Continuously training employees on identifying and responding to cybersecurity incidents.
- Collaborating with stakeholders to ensure thorough patch deployment and system updates.
- Conducting comprehensive software and system testing prior to deployment.
- Implementing and enforcing Network Security policies to strengthen perimeter defences.

Risk monitoring

The Group monitors cybersecurity risks through a structured approach involving all lines of defence:

- **First Line:** Active threat detection and prevention by the Information Security Operations function.
- **Second Line:** Oversight and guidance provided by the Information and Cybersecurity Unit within Operational Risk Management.
- **Third Line:** Independent IT audits and control reviews conducted by Internal Audit.
- This collaborative and layered approach ensures that the Group's cybersecurity framework remains adaptive and robust against the evolving threat landscape.

Credit Risk

Risk definition

Credit risk is a measure of the creditworthiness of a borrower and the ability of the lender to recover all their principal and interest when making a loan. Credit risk is the probability of default on a debt that may arise from borrowers failing to meet their repayment obligations according to agreed terms.

Risk impact

The crystallisation of credit risks could have significant negative impacts on the Group's business, including:

- **Revenue loss:** Reduced income from loan repayments due to defaults.
- **Capital erosion:** Increased provisions for non-performing loans (NPLs) and eventual write-offs, impacting the Group's capital adequacy ratios.
- **Disruption of cash flow:** Impaired ability to meet short-term and long-term financial obligations.
- **Collection costs:** Additional expenses incurred in attempting to recover defaulted loans.
- **Reputational damage:** Negative publicity arising from loan defaults and potential regulatory sanctions.
- **Diminished profitability:** The additional expected credit loss provision negatively impacts profit due to a significant rise in credit risk, driven by loan defaults that reduce available funds for trading and lending.
- **Liquidity:** Loan default reduces funds availability to meet financial obligations.

- **Cost of litigation and loan recovery:** Cost incurred on court cases arising from recovery activities and commission paid to recovery agents.
- **Competitiveness:** Limited or no competitive advantage over other industry players due to liquidity crisis caused by loan default.
- **Corporate reputation:** Negative publicity arising from loan defaults, regulatory sanctions, recovery activities and litigation.

Risk exposures

The Group's credit risk exposure is influenced by various factors, including:

Macroeconomic Conditions:

- **Economic slowdown:** A slow economy with low GDP growth can reduce borrower cash flow and repayment capacity, increasing the risk of default, particularly in economically sensitive sectors like construction and retail.
- **Inflationary pressures:** High inflation can erode borrower purchasing power and reduce disposable income, potentially impacting loan repayments. Rising interest rates implemented to combat inflation can further strain borrowers' debt-servicing capabilities.
- **Currency fluctuations:** Depreciation of the naira against major currencies can increase the burden for borrowers with foreign currency-denominated debt, leading to potential defaults or debt restructuring requirements.

Individual Borrower Creditworthiness:

- **Loan portfolio Composition:** The creditworthiness of individual borrowers significantly affects the overall portfolio risk. Also, unexpected events like natural disasters, industry disruption, or individual borrower-specific challenges like management shakeups or legal disputes can increase the risk of individual loan defaults.

Risk measurement

The Group measures its credit risk exposure through various key performance indicators (KPIs), including:

- **Non-performing loan (NPL) ratio:** Measures the percentage of outstanding loans that are overdue by more than a specified period (e.g., 90 days).
- **Cost of risk (CoR):** Represents the annualised expenses incurred due to the potential risk the Group may incur on its risk assets portfolio, expressed as a percentage of average gross loans.
- **Weighted average risk rating (WARR):** Assigns risk ratings to loan categories based on their perceived default probability, providing an overall portfolio risk assessment.
- **Loan loss coverage:** Indicates the extent to which the Group's provisions for potential loan losses cover the expected credit losses.
- **Independence of the risk function:** Ensures that the risk management unit operates independently from lending and business development functions, thereby maintaining objectivity in risk assessment and mitigation.
- **Concentration risk:** Indicates the level of lending to an individual, related individuals or companies and sectors/ industries. The parameters for measuring concentration risk include Single Obligor Limit (SOL), Sectorial Limit, Aggregate Large Exposures and Related Parties exposures.

Risk mitigation

The Group employs various strategies to mitigate and manage its credit risk, including:

- **Strict adherence to credit risk management policies and procedures:** This includes implementing robust credit underwriting practices, establishing clear loan approval criteria, and conducting regular portfolio reviews.
- **Continuous monitoring of regulatory compliance:** Ensuring adherence to relevant Central Bank of Nigeria (CBN) regulations and guidelines on credit risk management.
- **Deployment of robust credit risk management systems:** Utilising data analytics and scoring models to identify and assess potential credit risks proactively.
- **Diversification of the loan portfolio:** Spreading credit exposure across different sectors, geographies, and borrower types to reduce concentration risk.
- **Effective loan restructuring and workout strategies:** Proactively working with borrowers facing financial difficulties to find solutions and prevent defaults.
- **Maintaining adequate capital adequacy ratios:** Holding sufficient capital buffers to absorb potential losses from credit defaults.
- **Investing in staff training and development:** Ensuring that credit risk professionals possess the necessary skills and knowledge to manage risk effectively.

Risk monitoring

The Group employs a comprehensive approach to monitoring credit risk throughout all three lines of defence:

First Line:

- Relationship managers and business managers actively monitor borrowers' financial performance, loan covenants, and adherence to loan terms.

Principal Risks

- Early warning systems track key risk indicators, such as changes in borrower financial performance, industry trends, or macroeconomic conditions, to identify potential early signs of stress.

Second Line:

- The Credit Risk Management department independently assesses the effectiveness of credit risk policies and procedures, conducts portfolio reviews, and validates credit assessments made by the first line.
  Stress testing and scenario analysis are performed to assess the Group's vulnerability to potential risk events and inform timely adjustments to risk management strategies.

Third Line:

- Internal Audit regularly reviews the Group's credit risk management practices and systems to ensure compliance with regulatory requirements and best practices.
- The Board of Directors and Senior Management receive regular reports on credit risk metrics and exposure levels, enabling them to make informed decisions and provide strategic guidance.

Market Risk

Risk definition

Market risk is the risk of changes in the market value of trading and investment positions arising from fluctuations in interest rates, foreign exchange rates, equity prices, commodity prices, and other market factors.

Risk impact

- **Financial losses:** Reduced income, impairments of interest-rate sensitive instruments, write-downs of asset values, and deterioration of profitability ratios, i.e. return on equity.
- **Capital erosion:** Increased provisions for potential losses, impacting capital adequacy ratios.

Risk exposures

- **Interest rate risk:** The Group's exposure to changes in interest rates, especially on fixed-income securities and loans.
- **Foreign exchange risk:** The Group's exposure to fluctuations in foreign exchange rates affects its cross-border transactions and foreign currency holdings.
- **Equity investment risk:** These risks stem from fluctuations in the prices of unlisted equity investments and are managed by the Investment Management Committee.

Risk measurement

- **Value at Risk (VaR):** Quantifies the potential loss in portfolio value over a specified time horizon with a given confidence level.
- **Sensitivity analysis:** Assesses the impact of changes in individual market variables on portfolio value.
- **Stress testing:** Simulates extreme market scenarios to evaluate portfolio resilience.
- **Daily net open position (NOP):** Based on input from ALCO, the Board establishes limits on currency exposure and overall overnight positions. These limits are also aligned with the net open position limit set by regulators, which is typically a percentage of the Group's capital.

Risk mitigation

The Group strives to proactively mitigate potential risks, protect its capital from market volatilities, and preserve the stability of its financial position by:

- **Hedging:** Employing financial instruments (e.g., forwards, futures, swaps, options) to offset market risks.
- **Portfolio diversification:** Spreading investments across different asset classes, markets, and currencies to reduce concentration risk.
- **Strict adherence to risk limits:** Enforcing pre-defined risk limits for trading and investment activities.
- **Active monitoring of market conditions:** Timely adjustments to portfolios and risk exposures based on market movements.
- **Continuous upskilling of staff:** Ensuring employees have the knowledge and skills to manage market risks effectively.
- Deployment tools in risk analytics to enhance risk assessment and decision-making.

Risk monitoring

The Group employs a comprehensive market risk monitoring framework across all three lines of defence:

First Line:

- **Treasury:** Continuously monitors market positions and exposures using real-time risk management and reporting systems. This includes tracking market movements, managing potential risk factors, and maintaining compliance with internal limits and regulatory requirements.

Second Line:

- **Internal Controls:** Implements robust controls to prevent unauthorised trading and ensure adherence to risk management policies, safeguarding the Group's capital from unforeseen market fluctuations.
- **Market & Liquidity Risk Management Department:** Independently assesses market risk exposures through regular portfolio reviews, analysing trends and risk indicators. They conduct portfolio stress testing to simulate various market scenarios and assess potential impacts on the Group's capital position. Additionally, the department provides risk management advice to business units, promoting informed decision-making.

Third Line:

- **Internal Audit:** Periodic Audit of market risk management practices and controls, evaluating their effectiveness and adherence to regulations. This independent oversight ensures the robustness of the Group's market risk framework and identifies potential areas for improvement.

Quantitative and Qualitative Monitoring Methods:

- **Regular Portfolio Reviews:** Continuously analysing market positions, trends, and risk indicators to identify potential market weaknesses and proactively manage exposures.
- **Stress Testing:** Simulating various market and economic scenarios to assess the Group's resilience to adverse market conditions, ensuring adequate capital reserves are maintained.
- **Market Risk Reporting:** Timely and accurate reporting of market risk data and analysis to management and supervisory authorities, facilitating informed decision-making and regulatory compliance.

Liquidity Risk

Risk definition

Liquidity risk arises when the Group lacks sufficient cash or easily convertible assets to meet its financial obligations on time or when due.

Risk impact

- **Reputational damage:** Loss of customer confidence and withdrawal of deposits.
- **Funding difficulties:** Increased costs of borrowing or inability to access funding.
- **Regulatory sanctions:** Penalties from the Central Bank of Nigeria for non-compliance with liquidity requirements.
- **Insolvency:** Inability to meet financial obligations.

Risk exposures

- **Asset-liability mismatches:** Mismatch between the maturities of assets and liabilities, creating potential liquidity gaps.
- **Concentration of funding sources:** Reliance on a limited number of depositors or funding providers.
- **Market disruptions:** External events that impair access to funding markets.

Risk measurement

- **Liquidity coverage ratio (LCR):** Measures the Group's ability to meet its short-term liquidity needs under a 30-day stress scenario.
- **Net stable funding ratio (NSFR):** Assesses the Group's long-term funding stability over a one-year horizon.
- **Asset/Liability Mix**

Risk mitigation

- **Diversification of funding sources:** Securing funding from a variety of sources and markets.
- **Asset-liability management (ALM):** Matching the maturities of assets and liabilities to reduce liquidity gaps.
- **Holding adequate liquid assets:** Maintaining a portfolio of unencumbered assets that can be easily converted to cash.
- **Strict adherence to regulatory liquidity ratios:** Complying with the LCR and NSFR requirements and other internal limits.
- **Daily cash flow forecasting and monitoring:** Proactive management of liquidity positions and near-term funding needs and maintaining sufficient liquidity buffers to address unforeseen demands.
- **Efficient Fund Transfer Pricing (FTP) process:** allocates relevant interest expenses from the centre to the Strategic Business Units to determine the appropriate pricing assets and liabilities and shape the desired behaviour that is consistent with the Group's strategic objectives.

Risk monitoring

The Group maintains a robust liquidity risk monitoring framework that encompasses all three lines of defence:

First Line:

- **Treasury:** Oversees daily cash flows and liquidity balances, ensuring adherence to internal liquidity limits and regulatory requirements.

Principal Risks

Second Line:

- **Internal Controls:** Robust controls are implemented to prevent unauthorised transactions and ensure compliance with liquidity risk management policies.
- **Market & Liquidity Risk Management Department:** Independently monitors liquidity positions, conducts ALM analysis and ensures compliance with regulatory liquidity ratios. They also provide guidance and advice to business units on managing their liquidity risk.

Third Line:

- **Internal Audit:** Periodically audits liquidity risk management practices and controls, assessing their effectiveness and adherence to regulations. This independent oversight ensures the robustness of the Group's liquidity framework and identifies potential areas for improvement.

Operational Risk

Risk definition

Operational risks arise from internal process failures, human error, system flaws, or external events. We recognise the inherent risk across all business areas and maintain a strong focus on managing operational risk.

Our operational risk profile remains moderate, with loss levels within approved limits. Despite ongoing challenges, including cybersecurity threats, economic pressures, and regulatory complexities, we continue to reinforce our risk management efforts to address evolving risks.

Risk Impact

- **Financial Losses:** Fines, litigation, fraud, and operational disruption costs.
- **Reputational Damage:** Loss of customer trust and potential business withdrawal.
- **Business Disruptions:** Impaired services, productivity, and operational efficiency.
- **Regulatory Sanctions:** Penalties or restrictions for non-compliance with operational risk requirements.

Risk exposures

- **Financial Crimes:** Internal fraud, external fraud, and money laundering.
- **Process Failures:** Errors in transactions, system outages, and breaches of data security.
- **External Threats:** Geopolitical instability, natural disasters, pandemics, and cyberattacks.
- **Regulatory Compliance Risk:** inability to comply with regulatory standards in areas such as cybersecurity, data privacy, and anti-money laundering.

Risk measurement

- **Operational Risk Loss Database:** Analysing and tracking historical losses. Updated continuously.
- **Key Risk Indicators (KRIs):** Tracking key indicators of potential operational risk events through regular metric updates (refreshed at least monthly).
- **Risk Control Self-Assessments (RCSAs):** Quarterly evaluations of risk controls to ensure effectiveness.
- **Scenario Analysis:** Monthly analyses of potential high-impact events informed by external trends and emerging threats.

Risk mitigation

1. **Risk Assessments:** The Group conducts bi-annual operational risk assessments to identify key areas of concern, including cybersecurity threats, regulatory compliance, system vulnerabilities, and reputational risks. The findings inform the development of targeted mitigation plans and strategic resource allocation to high-priority areas.
2. **Three Lines of Defence Model:** The Group's risk management framework operates through three lines of defence: the First Line, where business activities adhere to risk frameworks and implement controls; the Second Line, where independent functions like Operational Risk Management and Internal Control provide oversight, validate controls, and ensure regulatory alignment; and the Third Line, where Internal Audit conducts independent reviews to assess the adequacy and effectiveness of controls.
3. **Enhanced Cybersecurity Defences:** The Group enhances its cybersecurity posture through investments in advanced technologies, such as threat detection systems and endpoint protection tools. Regular vulnerability assessments, penetration tests, and employee awareness campaigns are also conducted to identify and address potential weaknesses, strengthening both technical and human defences.
4. **Robust Business Continuity and Disaster Recovery (BCP/DR):** Comprehensive Business Continuity Plans are maintained to ensure critical operations continue during unforeseen events, such as natural disasters or system outages. Regular simulation and testing are carried out.
5. **Vendor Management and Outsourcing Controls:** The Group maintains a robust vendor management programme, ensuring third-party service providers meet stringent operational and security standards through rigorous selection, ongoing monitoring, and periodic performance reviews.

6. **Culture of Risk Awareness and Proactive Reporting:** The Group promotes a robust risk culture, empowering employees to proactively identify, report, and address risks. This is reinforced by structured programmes, including risk champion networks, which provide additional oversight and facilitate organisation-wide risk communication.

Risk monitoring

First Line of Defence Monitoring:
- Business units monitor their operational activities through regular reviews and checks, focusing on early identification of warning signs.

Second Line of Defence Monitoring:
- The Operational Risk Management and Internal Control departments oversee risk management practices across the Group.

Third Line of Defence Monitoring:
- Internal Audit provides independent assurance of the effectiveness of risk management frameworks and controls.

Qualitative and Quantitative Methods
- **Key Risk Indicator (KRI) Monitoring:** The Group monitors key risk indicators (KRIs) across various operational areas, providing actionable insights into emerging risk trends and enabling the evaluation of existing control effectiveness.
- **Operational Risk Event Reporting:** The Group utilises a centralised system to report and analyse operational risk events, enabling the identification of recurring issues, assessment of root causes, and implementation of corrective actions.
- **Scenario Analysis and Stress Testing:** The Group conducts regular simulations of adverse events, such as cyberattacks and economic shocks, to test its resilience and preparedness and refine its risk management strategies.
- **Internal and External Stakeholder Engagement:** The Group maintains active engagement with regulatory bodies, external auditors, and industry peers to stay informed about emerging risks, evolving compliance requirements, and best practices in risk management.

Legal Risk

Risk definition

The potential for financial or reputational losses arising from the Group's failure to comply with legal obligations, including regulatory and contractual requirements. This can encompass a range of issues, from contract disputes and regulatory non-compliance to litigation and intellectual property infringement.

Risk impact

- **Financial Losses:** Fines, penalties, compensation payments, legal fees, and lost business opportunities.
- **Reputational Damage:** Loss of customer and stakeholder trust, negative media coverage, and potential decline in brand value.
- **Business Disruptions:** Operational delays, project setbacks, and difficulty attracting and retaining talent.
- **Regulatory Sanctions:** Suspension of licences or other regulatory actions that can impede the Group's ability to operate.

Risk exposures

- **Regulatory Compliance:** Breaches of Grouping regulations, anti-money laundering (AML) laws, data privacy regulations, and other legal frameworks.
- **Contractual Disputes:** Failure to fulfil contractual obligations, leading to legal challenges from customers, suppliers, or other parties.
- **Employment Disputes:** Issues related to employee rights, discrimination, and wrongful termination.
- **Intellectual Property:** Infringement of trademarks, copyrights, or patents.
- **Product Liability:** Claims arising from defective products or services provided by the Group.
- **Third-Party Relationships:** Legal issues arising from partnerships, outsourcing arrangements, or joint ventures.

Risk measurement

- **Regulatory Compliance Tracking:** Monitoring compliance with relevant regulations and reporting on potential compliance risks.
- **Internal Audits and Reviews:** Regular audits of legal functions and processes to identify weaknesses and areas for improvement.
- **Key Risk Indicators (KRIs):** Tracking metrics such as litigation volume, regulatory fines, and customer complaints to assess overall legal risk exposure.

Risk mitigation

- A robust legal team consisting of experienced professionals with expertise establishes and continually upholds comprehensive compliance programmes, ensuring adherence to all legal and regulatory requirements.
- Thorough review and negotiation of all contracts occur, minimising legal risks from the outset. Risk assessments and due diligence are conducted for new transactions and partnerships, providing a clear understanding of potential legal implications.

Principal Risks

- Employees receive regular training and awareness workshops on legal risks and compliance procedures, empowering them to identify and avoid potential issues.
- Proactive communication and dispute resolution strategies are encouraged, fostering open dialogue with stakeholders and preventing escalation.

Risk monitoring

Ongoing monitoring and evaluation ensure the effectiveness of the Group's legal risk management framework:

- Regular reports are provided to the Management Committees and Board detailing legal risk exposure and current mitigation strategies. Internal legal audits are conducted at periodic intervals, assessing the legal function's effectiveness and identifying areas for improvement.

Regulatory Compliance Risk

Risk definition

This is the risk arising from an increasing spate of new regulatory pronouncements, regulatory requirements, and frequent reviews of circulars, which could lead to non-compliance either due to misinterpretation or inability to respond timely to these regulations. It could also arise from the lack of required agility of the Group to implement regulatory directives, leading to regulatory penalties and possible reputational damage.

Risk impact

- **Financial Losses:** Fines, penalties, compensation payments, legal fees, and potential loss of business opportunities.
- **Reputational Damage:** Negative media coverage, loss of customer and stakeholder trust, and damage to brand value.
- **Operational Disruptions:** Business interruptions, project delays, and difficulty attracting and retaining talent due to regulatory non-compliance.
- **Regulatory Sanctions:** Suspension or revocation of licences, restrictions on operations, and other enforcement actions.

Risk exposures

- **Increasing regulatory complexity:** Frequent changes and updates to regulations can increase the risk of inadvertent non-compliance.
- **Misinterpretation of regulatory requirements:** Complex or ambiguous regulations can be challenging to interpret, leading to potential non-compliance.
- **Limited agility in responding to new regulations:** Delays in implementing new regulations can expose the Group to financial penalties and reputational damage.
- **Inadequate communication and training:** Failure to effectively communicate and train employees on regulatory requirements can increase the risk of non-compliance.

Risk measurement

- **Regulatory reporting metrics:** Tracking key risk indicators (KRIs) such as the number of regulatory infractions and the timeliness of regulatory reporting.
- **Regulatory compliance audits and reviews:** Regularly conducting internal and external audits to assess compliance with relevant regulations.
- **Monitoring of emerging regulatory trends:** Proactively identifying and assessing potential changes in the regulatory landscape.

Risk mitigation

- The Group fosters a robust compliance culture embedding awareness and adherence to regulations throughout all levels of the organisation, supported by a dedicated team of compliance professionals with extensive expertise in relevant regulations.
- A comprehensive compliance programme is implemented, consisting of thorough risk assessments, regular training programmes for employees on their compliance obligations, and meticulous monitoring and reporting procedures.
- A clear and up-to-date legal and regulatory framework is maintained, outlining the Group's compliance obligations in a precise and accessible manner.
- Effective communication and training initiatives are employed, ensuring employees are kept informed about evolving regulations and their responsibilities in upholding compliance.
- Technology and automation solutions are leveraged, streamlining compliance processes and enhancing efficiency in identifying and addressing potential issues.
- The Group maintains proactive and open communication with regulators, seeking guidance to ensure clarity and timely compliance with regulatory requirements.

Risk monitoring

- The Board of Directors and Risk Management Committees receive regular reports detailing the Group's compliance risk profile and current mitigation strategies.
- Periodic internal audits and reviews are conducted to assess the efficacy of the compliance programme and identify areas for potential improvement.
- Independent reviews by external auditors provide valuable insights and best practices to further strengthen the Group's compliance stance.
- Accurate and timely reporting to regulatory authorities, as well as meticulous recordkeeping of all compliance activities.

Reputational Risk

Risk definition

Reputational risk is the potential for negative publicity related to an organisation's practices, conduct, or financial condition. It can arise from failing to meet stakeholder expectations, which damages trust, brand equity, and business partnerships.

Risk impact

- **Financial Losses:** Decreased revenue, reduced customer base, loss of investor confidence, increased funding costs, fines, and legal costs.
- **Operational Disruptions:** Challenges in attracting and retaining customers, loss of key talent, and strained relationships with partners and suppliers.
- **Erosion of Trust:** Negative brand perception, diminished public confidence, and disengaged stakeholders.
- **Regulatory Scrutiny:** Increased regulatory oversight, potential sanctions, and restrictions on operational licences.

Risk exposures

- **Negative Media Coverage:** Adverse publicity stemming from product failures, customer complaints, ethical lapses, or financial controversies.
- **Cybersecurity Breaches:** Data leaks, cyberattacks, or technological failures that compromise customer trust.
- **Employee Misconduct:** Fraud, discrimination, or safety violations by employees that tarnish the organisation's reputation.
- **Environmental or Social Controversies:** Public backlash resulting from involvement in environmental damage, social injustices, or unethical practices.
- **Regulatory Non-Compliance:** Failure to adhere to regulations or ethical standards, leading to fines, sanctions, or negative public perception.

Risk measurement

- **Media Monitoring:** Tracking and analysing media coverage and sentiment to detect potential reputational threats early.
- **Customer Satisfaction Surveys:** Collecting feedback on customer experiences to gauge brand perception and identify service quality gaps.
- **Employee Engagement Surveys:** Assessing employee morale and identifying potential internal reputational risks arising from employee dissatisfaction.
- **Tracking Regulatory Incidents and Complaints:** Regularly reviewing customer complaints and compliance breaches to identify reputational risks early.

Risk mitigation

- Periodic stress testing or scenario analysis to assess potential secondary effects of reputational risk on key financial measures.
- A robust incident response structure and emergency response plan for mitigating the overall impact of events that could harm the Group's reputation.
- A risk-based approach to vendor management is adopted to prevent or reduce potential reputational risks associated with third parties.
- An efficient complaints management system ensures resolution within required timeframes and prompt response to regulators and other stakeholders.

Risk monitoring

- Audits and independent party reviews are conducted to assess the effectiveness of the reputational risk management framework and identify areas for improvement.
- Benchmarking against industry best practices to compare the Group's approach with industry leaders and identify potential enhancements.

Principal Risks

Sustainability Risk

Risk definition

Sustainability risk refers to the potential negative impact of the Group's financial services or operations on the environment or society, as well as the consequences of governance failures, which could result in financial, reputational, or operational issues. It also includes non-compliance with sustainable practices and regulations.

Risk impact

- **Financial Losses:** Potential fines, penalties, legal costs, loss of business opportunities, and decreased access to funding due to non-compliance with environmental, social, or governance regulations.
- **Reputational Damage:** Negative media coverage, public backlash, decreased customer trust, and difficulty attracting and retaining talent due to unsustainable practices.
- **Operational Disruptions:** Business continuity issues arising from environmental disruptions, social unrest, or regulatory sanctions related to sustainability shortcomings.

Risk exposures

- **Climate change and environmental impact:** Risks associated with the Group's carbon footprint, resource use, pollution generation, and exposure to climate-related events.
- **Social and human rights concerns:** Labour practices, community relations, financial inclusion gaps, and potential discrimination within the Group's operations and customer base.
- **Corporate governance weaknesses:** Inadequate adherence to ethical standards, poor risk management practices, and lack of transparency in sustainability reporting.

Risk measurement

- **External sustainability ratings and rankings:** Monitoring independent assessments of the Group's sustainability performance by rating agencies and ESG analysts.
- **Regulatory compliance reviews:** Assessing adherence to relevant environmental, social, and governance regulations and frameworks.
- **Stakeholder feedback:** Engaging with customers, employees, communities, and NGOs to identify sustainability concerns and opportunities.

Risk mitigation

- Sustainability principles are integrated into the core of the Group's business strategy, operations, and decision-making processes, ensuring a holistic approach to responsible growth.
- Alignment with the Nigerian Sustainable Banking Principles (NSBPs) is actively pursued, contributing to the development of a sustainable financial system in Nigeria and aligning the Group's practices with national best practices.
- Investments in green and sustainable technologies are continuously pursued, with the aim of reducing the Group's environmental footprint and promoting more sustainable business practices.
- Active expansion of financial inclusion and economic empowerment initiatives to ensure broader access to financial services for underserved communities, particularly women and marginalised groups.
- Fostering proactive stakeholder engagement, establishing open communication channels, and addressing concerns of customers, employees, communities, and NGOs regarding sustainability issues.
- Transparent communication and reporting practices ensure clear and regular updates on the Group's sustainability performance, goals, and challenges to all stakeholders.

Risk monitoring

- Benchmarking against industry best practices is actively employed, allowing for continuous comparison with sustainability leaders and identification of potential enhancements to the Group's approach.
- Collaborating with stakeholders to stay informed on best practices and emerging standards, evaluating the impact of sustainability initiatives and addressing gaps.

Financial Statements

Our Separate and Consolidated Audited Financial Statements for the year ended 31 December 2024 have been prepared in compliance with International Financial Reporting Standards (IFRS) and in accordance with the Companies and Allied Matters Act (CAMA), 2020, the Financial Reporting Council of Nigeria Act, 2011, the Banks and Other Financial Institutions Act, 2020, and the applicable Guidelines and Circulars from the Central Bank of Nigeria (CBN).

Directors and Advisors

Directors	
Peter Olufemi Otedola, CON	Non-Executive Director (Group Chairman)
Adebowale Oyedeji	Group Managing Director
Dr Alimi Abdul-Razaq	Independent Non-Executive Director
Dr (Sir) Peter Aliogo	Independent Non-Executive Director
Kofo Dosekun	Independent Non-Executive Director
Dr Abiodun Fatade	Non-Executive Director
Dr Julius B. Omodayo-Owotuga	Non-Executive Director
Olusegun Alebiosu	Non-Executive Director
Oyewale Ariyibi	Executive Director
Company Secretary	
	Adewale Arogundade
Registered Office	
	Samuel Asabia House
	35 Marina
	Lagos
Auditor	
	KPMG Professional Services
	KPMG Tower, Bishop Aboyade Cole Street,
	Victoria Island, Lagos
	Telephone: +234 271 8955
	Website: www.kpmg.com/ng
Registrar	
	Meristem Registrars & Probate Services Limited
	213 Herbert Macaulay Way
	Yaba
	Lagos
Bankers	
	First Bank of Nigeria Limited
	35 Marina
	Lagos
	FBNQuest Merchant Bank Limited
	2 Broad Street
	Lagos
Tax Identification Number	
	15562790-0001
RC Number	
	916455

Statement of Directors' Responsibilities in Relation to the Separate and Consolidated Financial Statements

The Directors accept responsibility for the preparation of the annual Separate and Consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020, Financial Reporting Council of Nigeria Amendment Act, 2023, the Banks and Other Financial Institutions Act, 2020 and relevant Central Bank of Nigeria (CBN) Guidelines and Circulars.

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

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

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

P Otedola

Peter Olufemi Otedola, CON
Group Chairman
FRC/2013/IODN/00000002426
21 March 2025

Adebowale Oyedeji
Group Managing Director
FRC/2024/PRO/DIR/003/450036
21 March 2025

Statement of Corporate Responsibility for the Separate and Consolidated Financial Statements

for the year ended 31 December 2024

Further to the provisions of section 405 of the Companies and Allied Matters Act (CAMA), 2020, we, the Managing Director/CEO and Chief Financial Officer, hereby certify the separate and consolidated financial statements of the First HoldCo Plc for the year ended 31 December 2024 as follows:

i. That we have reviewed the audited separate and consolidated financial statements of the Company and its Subsidiaries for the year ended 31 December 2024.

ii. That the audited separate and consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact which would make the statements misleading, in the light of the circumstances under which such statement was made.

iii. That the audited separate and consolidated financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Company and its Subsidiaries as of and for, the year ended 31 December 2024.

iv. That we are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Company and its subsidiaries is made known to us by other officers of the companies, during the year end 31 December 2024

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

vi. That we have disclosed the following information to the Group's Auditors and Audit Committee:

   (a) Significant deficiencies in the design or operation of internal controls which could adversely affect the Group's ability to record, process, summarise and report financial data, and have identified for the Group's auditors any material weaknesses in internal controls, and

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

Adebowale Oyedeji
Group Managing Director
FRC/2024/PRO/DIR/003/450036
21 March 2025

Oyewale Ariyibi
Executive Director/CFO
FRC/2013/ICAN/00000001251
21 March 2025

Statement of Compliance with Nigerian Exchange (NGX) Listing Rules on Securities Trading Policy

In line with Section 14.4 of the Nigerian Exchange (NGX) Amendments to the Listing Rules (Rules), we wish to state that we have adopted a code of conduct regarding securities transactions by our directors and it is in line with the required standard set out in the Rules.

The First HoldCo Plc.'s Securities Trading Policy (Policy) is embedded in the Board-approved Group Disclosure Policy and having made specific enquiry of all our directors regarding compliance with the Policy, we hereby confirm to the best of our knowledge that our Board of Directors are in compliance with our Securities Trading Policy and the provisions of the Rules on Securities Trading.

Otedola

Peter Olufemi Otedola, CON
Group Chairman
FRC/2013/IODN/00000002426
21 March 2025

Adewale Arogundade
Company Secretary
FRC/2014/NBA/00000006810
21 March 2025

Report of the Audit Committee

In compliance with Section 404 of the Companies and Allied Matters Act 2020, we have reviewed the Audit Report for the year ended 31 December 2024, and hereby state as follows:

1. The scope and planning of the audit were adequate in our opinion.
2. The accounting and reporting policies of the Company conformed to statutory requirements and agreed ethical practices.
3. The internal control was being constantly and effectively monitored.
4. The external auditor's management report received satisfactory response from Management.
5. The Committee reviewed the Audit Report on insider-related party transactions and is satisfied with their status as required by Central Bank of Nigeria (CBN).

Dated 21 March 2025

Vitalis Anyiam
Chairman, Audit Committee
FRC/2014/PRO/00000010484

Members of the Committee
Vitalis Anyiam
Hauwa Umar, FCA
Mathew Akinlade, FCA
Dr (Sir) Peter Aliogo
Dr Julius Omodayo-Owotuga

Certification Pursuant to Section 60 of the Investment and Securities Act, 2007

I, Adebowale Oyedeji, certify that:

a) I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2024 of First HoldCo Plc ("the Company") and its subsidiaries (together "the Group");

b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c) Based on my knowledge, the separate and consolidated financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;

d) The Group's other certifying officer and I:

   1) are responsible for establishing and maintaining internal controls;

   2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;

   4) have evaluated the effectiveness of the Group's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e) The Group's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Company's auditors and the Board audit committee:

   1) All significant deficiencies or and that there are no material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Group's ability to record, process, summarize and report financial information; and

   2) That there is no fraud, whether or not material, that involves management or other employees who have a significant role in the Group's internal control system.

f) The Group's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation.

Adebowale Oyedeji
Group Managing Director
FRC/2024/PRO/DIR/003/450036
21 March 2025

Certification Pursuant to Section 60 of the Investment and Securities Act, 2007

I, Oyewale Ariyibi, certify that:

a) I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2024 of First HoldCo Plc ("the Company") and its subsidiaries (together "the Group");

b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c) Based on my knowledge, the separate and consolidated financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;

d) The Group's other certifying officer and I:

1) are responsible for establishing and maintaining internal controls;

2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;

4) have evaluated the effectiveness of the Group's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e) The Group's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Company's auditors and the Board audit committee:

1) All significant deficiencies or and that there are no material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Group's ability to record, process, summarize and report financial information; and

2) That there is no fraud, whether or not material, that involves management or other employees who have a significant role in the Group's internal control system.

f) The Group's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation.

Oyewale Ariyibi
Executive Director/CFO
FRC/2013/ICAN/00000001251
21 March 2025

Certification Pursuant to Section 60 of the Investment and Securities Act, 2007 Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2024

The management of First HoldCo Plc ("the Company") is responsible for establishing and maintaining adequate internal control over financial reporting as required by the Investment and Securities Act 2007 and the Financial Reporting Council (Amendment) Act, 2023.

The management of First HoldCo Plc assessed the effectiveness of the internal control over financial reporting of the Company and its subsidiaries (together "the Group") as of 31 December 2024 using the criteria set forth in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and in accordance with the SEC Guidance on Implementation of Sections 60 – 63 of Investments and Securities Act, 2007.

As of 31 December 2024, the management of First HoldCo Plc did not identify any material weakness in its assessment of internal control over financial reporting.

As a result, management has concluded that, as of 31 December 2024, the Group's internal control over financial reporting was effective.

The Company's independent auditor, KPMG Professional Services, who audited the separate and consolidated financial statements included in this Annual Report, issued an unmodified conclusion on the effectiveness of the Group's internal control over financial reporting as of 31 December 2024 based on the limited assurance engagement performed by them. KPMG Professional Services' limited assurance report appears in the Annual Report.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred subsequent to the date of our evaluation of the effectiveness of internal control over financial reporting that significantly affected, or are reasonably likely to significantly affect, the Group's internal control over financial reporting.

Adebowale Oyedeji
Group Managing Director
FRC/2024/PRO/DIR/003/450036
21 March 2025

Oyewale Ariyibi
Executive Director/CFO
FRC/2013/ICAN/00000001251
21 March 2025

Independent Auditor's Limited Assurance Report

KPMG Professional Services
KPMG Tower
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To the Shareholders of First HoldCo Plc

Report on Limited Assurance Engagement Performed on Management's Assessment of Internal Control Over Financial Reporting

Conclusion

We have performed a limited assurance engagement on whether internal control over financial reporting of First HoldCo Plc ("the Company") and its subsidiaries (together "the Group") as of 31 December 2024 is effective in accordance with the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and the Securities and Exchange Commission Guidance on Implementation of Sections 60 – 63 of Investments and Securities Act 2007.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Group's internal control over financial reporting as of 17 April 2025 is not effective, in all material respects, in accordance with the criteria established in the COSO Framework and the Securities and Exchange Commission Guidance on Implementation of Sections 60 – 63 of Investments and Securities Act 2007.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB) and the Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. Our responsibilities are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA). Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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

Other matter

We have audited the separate and consolidated financial statements of First HoldCo Plc in accordance with the International Standards on Auditing, and our report dated 17 April 2025 expressed an unmodified opinion of those separate and consolidated financial statements.

Our conclusion is not modified in respect of this matter.

Responsibilities for Internal Control over Financial reporting

The Board of Directors of First HoldCo Plc is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying management's report. Our responsibility is to express a conclusion on the Group's internal control over financial reporting based on our assurance engagement.

Independent Auditor's Limited Assurance Report

Our responsibilities

The Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting ("the Guidance") requires that we plan and perform the assurance engagement and provide a limited assurance report on the Group's internal control over financial reporting based on our assurance engagement.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Definition and Limitations of Internal Control Over Financial reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Kabir

Kabir Okunlola, FCA
FRC/2012/ICAN/00000000428
For: KPMG Professional Services
Chartered Accountants
17 April 2025
Lagos, Nigeria

Independent Auditor's Report

for the year ended 31 December 2024

KPMG

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To the Shareholders of First HoldCo Plc.

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

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

- the separate and consolidated statements of financial position as at 31 December 2024;
- the separate and consolidated statements of profit or loss;
- the separate and consolidated statements of other comprehensive income;
- the separate and consolidated statements of changes in equity;
- the separate and consolidated statements of cash flows for the year then ended; and
- the notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying separate and consolidated financial statements give a true and fair view of the separate and consolidated financial position of the Company and its subsidiaries as at 31 December 2024, and of its separate and consolidated financial performance and its separate and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023, the Banks and Other Financial Institutions Act, 2020 and relevant Central Bank of Nigeria (CBN) Guidelines and Circulars.

Basis for Opinion

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

Key Audit Matters

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

A. Expected Credit Loss (ECL) Allowance on Loans and Advances to Customers

The key audit matter

The ECL allowance on loans and advances for corporate and retail loans is considered to be of most significance in the audit due to the level of subjectivity inherent in estimating the key assumptions that impact the recoverability of loan balances in arriving at the level of impairment allowance required.

The Group uses an Expected Credit Loss (ECL) model to determine the impairment allowance for loans and advances to customers. The determination of impairment allowance using the ECL model is inherently a significant area for the Group and requires the application of certain judgements, assumptions and estimates of financial indices. These indices are estimated from historical financial data obtained within and outside the Group.

The Group's ECL model includes certain judgements and assumptions in determining the impairment allowances of loan and advances comprising the:

- determination of default;
- assessment of significant increase in credit risk (SICR);
- incorporation of forward-looking information based on the economic scenarios within the model;
- determination of the 12 month and lifetime probability of default (PD) used in the ECL model;
- determination of the Exposure at Default (EAD) based on the discounted future cash flows at the reporting date; and rate of recovery on the loans that are past due and in default;
- Credit Conversion Factor (CCF) applied in modelling the EAD for undrawn commitments; and
- estimation of the Loss Given Default (LGD) based on collateral values and other cash flows.

How the matter was addressed in our audit

Our audit procedures in this area included the following:

- we evaluated the design and implementation of the key controls over the impairment determination process such as the Group's assessment of ECL allowance on loans and advances to customers and review of relevant data elements used in the calculation of expected credit losses including evaluation of ECL impairment computation.
- we assessed the Group's default definition and other qualitative default indicators by agreeing it to the requirements of the relevant accounting standards.
- we tested the appropriateness of the Group's determination of SICR, defaults and the resultant classification of loans into stages on a sample basis by evaluating customer files for the terms of the loans and account statements for due and unpaid obligations
- assisted by our Financial Risk Management specialists, we tested the key data and assumptions inputted into the ECL model used by the Group. Other procedures performed included the following:

Independent Auditor's Report
for the year ended 31 December 2024

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i. we challenged the appropriateness and reasonableness of the ECL methodology by considering whether it reflects unbiased and probability-weighted amounts that are determined by evaluating a range of possible outcomes, the time value of money, reasonable and supportable information at the reporting date about past events, current conditions and forecasts of future economic conditions.

ii. for forward-looking assumptions comprising Real Gross Domestic Product (GDP), crude oil price, and NGX All Share Index (ASI) used, we corroborated the Group's assumptions using publicly available information from external sources and assessed for appropriateness in the Group's circumstances;

iii. we evaluated the appropriateness of the basis of determining Exposure at Default, including the contractual cash flows, outstanding loan balance, loan repayment type, loan tenor and effective interest rate by agreeing them to source documents and performing a recomputation on a sample basis;

iv. we assessed the CCF applied in modelling the EAD for undrawn commitments by evaluating the Group's computation is consistent with the portfolio segmentation;

v. for PD used in the ECL calculation, we inspected the model used for its calculation and assessed the completeness and accuracy of the data used for default and nondefault categories for corporate and retail loans;

vi. we evaluated the calculation of the LGD used by the Group in the ECL calculations, including the appropriateness of the use of collateral, by recomputing the LGD, cashflow validation and assessing the haircuts applied by the Group on the recoverability of collateral considering the current economic conditions. On a sample basis, we challenged the valuation of collaterals applied in the ECL computations by evaluating the competence of the valuers, and assessing the market value of the collaterals to other independent publicly available information;

vii. we assessed how the Group has treated restructured loans based on changes to cashflow characteristic of customers and the related impact on staging and SICR, to evaluate consistency with the requirements of the relevant accounting standards;

viii. we independently re-performed the calculation of impairment allowance for loans and advances

The Group's accounting policy on impairment, related disclosures on credit risk and significant accounting judgements, estimates and assumptions, and note on impairment charge on financial instruments are shown in notes 2.10.1(e), 3, 5, and 9, respectively.

B. Valuation of Derivatives

The key audit matter

The Group's derivative instruments comprise foreign currency swaps, put options, cross-currency interest rate swaps, foreign exchange futures and foreign exchange forward contracts, which are used to manage foreign exchange risk. Estimating the fair value of the derivative instrument is a complex valuation methodology involving multiple inputs, including discount rates, foreign exchange rates, earning yields, adjustments and other estimates. Consequently, we have determined the valuation of derivatives to be a key audit matter.

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How the matter was addressed in our audit

Our audit procedures in this area included the following:

- we evaluated the design, implementation and operating effectiveness of key controls over the inputs used in determining the Group's valuation of derivative instruments.

- we inspected derivative contracts on a sample basis to substantiate the terms of the respective transactions.

- assisted by our Valuation specialist, we performed the following procedures:

- evaluated the appropriateness of the methodology and assumptions used by the Group including volatilities in determining fair value and accounting for the derivative positions to assess whether the valuation model used by the Group was in line with acceptable market practice;

- inspected the inputs used in the valuation model such as discount rates, forward exchange rates and yields by obtaining quoted rates and compared these rates to the mark-to-market rates; and

- independently developed a range estimate of the fair value of the derivatives assets and liabilities.

The Group's accounting policy on derivative instruments and relevant financial risk disclosures are shown in Notes 2.10, 3,and 23, respectively.

Other Information

The Directors are responsible for the other information. The other information comprises the Directors and Advisors, Directors' Report, Statement of Directors' Responsibilities, Statement of Corporate Responsibility, Statement of Compliance with the Nigerian Exchange Listing Rules on Securities Trading Policy, Report of the Board Audit Committee, Management Certification of Internal Control Over Financial Reporting, Report on the Effectiveness of Internal Control over Financial Reporting and Other National disclosures which we obtained prior to the date of the auditor's report, but does not include the separate and consolidated financial statements and our auditor's report thereon. Other information also includes the Strategic reports, Corporate Responsibility and Sustainability reports, Governance reports, Risk Overview reports and Shareholder information together the "Outstanding Reports" which are expected to be made available to us after that date.

Our opinion on the separate and consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the separate and consolidated 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 separate and consolidated 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 have obtained prior to the date of this auditors' 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 Outstanding Reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Independent Auditor's Report
for the year ended 31 December 2024

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Responsibilities of the Directors for the Separate and Consolidated Financial Statements

The Directors are responsible for the preparation of separate and consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023, the Banks and Other Financial Institutions Act, 2020 and relevant Central Bank of Nigeria (CBN) Guidelines and Circulars and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

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

i We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

ii. In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books.

iii. The Company's statement of financial position, statement of profit or loss and statement of other comprehensive income are in agreement with the books of account and returns.

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

i. The Group paid penalties in respect of contravention of the Banks and Other Financial Institutions Act, 2020 during the year ended 31 December 2024 as disclosed in Note 47 to the separate and consolidated financial statements.

ii. Related party transactions and balances are disclosed in Note 45 to the separate and consolidated financial statements in compliance with the Central Bank of Nigeria circular BSD/1/2004.

Compliance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting

In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management's assessment of the Group's internal control over financial reporting as of 31 December 2024. The work performed was done in accordance with ISAE 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. We have issued an unmodified conclusion in our report dated 17 April 2025. That report is included in the Annual Report.

Kabir Okunlola, FCA
FRC/2012/ICAN/00000000428
For: KPMG Professional Services
Chartered Accountants
17 April 2025
Lagos, Nigeria

Separate and Consolidated Statement of Profit or Loss

for the year ended 31 December 2024

	Note	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
Continuing operations					
Interest income	7	**2,397,428**	936,682	**6,009**	3,379
Interest expense	8	**(996,119)**	(390,394)	**(8)**	(6)
Net interest income		**1,401,309**	546,288	**6,001**	3,373
Impairment charge on financial instruments	9	**(426,294)**	(224,948)	**(3)**	-
Net interest income after impairment charge for losses		**975,015**	321,340	**5,998**	3,373
Fee and commission income	10a	**304,498**	220,328	**-**	-
Fee and commission expense	10b	**(59,609)**	(33,256)	**-**	-
Net Fee and commission income		**244,889**	187,072	**-**	-
Foreign exchange (loss)/gain	11	**(64,945)**	(334,230)	**1,164**	787
Net (losses)/gains on sale of investment securities	12	**(48,059)**	34,848	**21**	(50)
Net gains/(losses) from financial instruments at FVTPL	13	**549,989**	678,432	**4**	(379)
Dividend income	14	**10,657**	5,742	**27,090**	17,160
Other operating income	15	**62,546**	19,151	**(94)**	123
Personnel expenses	16	**(308,472)**	(175,901)	**(2,952)**	(2,194)
Depreciation of property and equipment	30	**(44,384)**	(29,053)	**(370)**	(326)
Amortisation of intangible assets	31	**(17,598)**	(13,825)	**-**	-
Operating expenses	17	**(563,706)**	(338,248)	**(4,600)**	(3,302)
Operating profit		**795,932**	355,328	**26,261**	15,192
Share of profit of associates	27ii	**535**	820	**-**	-
Profit before income tax and minimum tax		**796,467**	356,148	**26,261**	15,192
Minimum tax	18a(ii)	**(14,584)**	(8,282)	**(36)**	(21)
Profit before income tax		**781,883**	347,866	**26,225**	15,171
Income tax expense	18a(ii)	**(118,393)**	(39,433)	**(1)**	(1)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		**663,490**	308,433	**26,224**	15,170
Discontinued operations					
Profit for the year from discontinued operations	29	**13,515**	1,937	**-**	-
PROFIT FOR THE YEAR		**677,005**	310,370	**26,224**	15,170
Profit attributable to:					
Owners of the parent		**670,799**	308,203	**26,224**	15,170
Non-controlling interests		**6,206**	2,167	**-**	-
		677,005	310,370	**26,224**	15,170
Earnings per share for profit attributable to owners of the parent					
Basic earnings per share (kobo):	50				
From continuing operations		**1,831**	853	**73**	42
From discontinued operations		**38**	6	**-**	-
From profit for the year		**1,869**	859	**73**	42

The accompanying notes are an integral part of the separate and consolidated financial statements.

Separate and Consolidated Statement of other Comprehensive Income

for the year ended 31 December 2024

	Note	Group		Company	
		31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
PROFIT FOR THE YEAR		**677,005**	310,370	**26,224**	15,170
Other comprehensive income:					
Items that may be subsequently reclassified to profit or loss					
From continuing operations					
Movement in fair value reserves (FVOCI debt instruments):					
-Net changes in fair value		**(93,217)**	31,072	**(635)**	185
-Net reclassified (loss)/ gains to profit or loss		**(3,792)**	5,239	**-**	-
Foreign operations - foreign currency translation differences		**336,640**	299,368	**-**	-
From discontinued operations					
Net losses on debt instruments at fair value through other comprehensive income		**(1,097)**	(3,436)	**-**	-
Items that will not be reclassified to profit or loss					
From continuing operations					
Equity investments at FVTOCI- net changes in fair value		**157,049**	168,463	**-**	-
Remeasurement of defined benefit pension scheme	38	**764**	(1,409)	**-**	-
Effects of hyperinflation		**(8,946)**	(43,851)	**-**	-
Related taxes		**(1,735)**	3,411	**-**	-
Other comprehensive income/(loss) for the year		**385,666**	458,857	**(635)**	185
COMPREHENSIVE INCOME FOR THE YEAR		**1,062,671**	769,227	**25,589**	15,355
Comprehensive income attributable to:					
Owners of the parent		**1,038,287**	752,896	**25,589**	15,355
Non-controlling interests		**24,384**	16,331	**-**	-
		1,062,671	769,227	**25,589**	15,355
Total comprehensive income attributable to owners of the parent arises from :					
Continuing operations		**1,025,695**	754,345	**25,589**	15,355
Discontinued operations		**12,592**	(1,449)	**-**	-
		1,038,287	752,896	**25,589**	15,355

The accompanying notes are an integral part of the separate and consolidated financial statements.

Separate and Consolidated Statement of Financial Position

as at

	Note	Group		Company	
		31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
ASSETS					
Cash and balances with central banks	19	**4,415,186**	2,572,363	**-**	-
Loans and advances to banks	21	**3,302,480**	2,053,230	**23,269**	16,523
Loans and advances to customers	22	**8,767,888**	6,359,294	**178**	269
Financial assets at fair value through profit or loss	23	**443,567**	748,785	**-**	504
Investment securities	24	**6,536,395**	2,797,620	**14,504**	6,959
Assets pledged as collateral	25	**1,069,225**	1,519,094	**-**	-
Other assets	26	**1,139,720**	600,927	**24,138**	17,661
Investments in associates accounted for using the equity method	27	**2,540**	2,005	**-**	-
Investment in subsidiaries	28	**-**	-	**264,188**	262,671
Property and equipment	30	**222,164**	161,677	**545**	948
Intangible assets	31	**40,138**	33,557	**-**	-
Deferred tax assets	32	**53,706**	55,895	**-**	-
		25,993,009	16,904,447	**326,822**	305,535
Assets held for sale	29	**531,209**	33,237	**-**	-
Total assets		**26,524,218**	16,937,684	**326,822**	305,535
LIABILITIES					
Deposits from banks	33	**2,922,432**	1,803,182	**-**	-
Deposits from customers	34	**17,170,690**	10,663,346	**-**	-
Financial liabilities at fair value through profit or loss	23a	**50,256**	143,470	**-**	-
Financial liabilities at amortized cost	35	**198,188**	-	**-**	-
Current tax liabilities	18b	**122,563**	52,662	**49**	29
Other liabilities	36	**1,239,125**	1,261,833	**29,077**	19,041
Borrowings	37	**1,559,353**	1,250,827	**-**	-
Retirement benefit obligations	38	**8,640**	8,036	**-**	-
Deferred tax liabilities	32	**11,645**	5,524	**-**	-
		23,282,892	15,188,880	**29,126**	19,070
Liabilities held for sale	29	**445,992**	1,783	**-**	-
Total liabilities		**23,728,884**	15,190,663	**29,126**	19,070
EQUITY					
Share capital	39	**17,948**	17,948	**17,948**	17,948
Share premium	40	**233,392**	233,392	**233,392**	233,392
Retained earnings	40	**1,116,309**	588,967	**48,480**	36,614
Statutory reserve	40	**332,091**	211,935	**-**	-
Capital reserve	40	**-**	-	**10**	10
Small scale investment reserve	40	**6,076**	6,076	**-**	-
Fair value reserve	40	**356,675**	300,888	**(2,134)**	(1,499)
Regulatory risk reserve	40	**22,670**	20,501	**-**	-
Foreign currency translation reserve	40	**657,346**	338,871	**-**	-
		2,742,507	1,718,578	**297,696**	286,465
Non-controlling interests	41	**52,827**	28,443	**-**	-
Total equity		**2,795,334**	1,747,021	**297,696**	286,465
Total equity and liabilities		**26,524,218**	16,937,684	**326,822**	305,535

The separate and consolidated financial statements were approved and authorised for issue by the Board of Directors on 21 March 2025 and signed on its behalf by:

P Otedola

Peter Olufemi Otedola, CON
Group Chairman
FRC/2013/IODN/00000002426

Adebowale Oyedeji
Group Managing Director
FRC/2024/PRO/DIR/003/450036

Oyewale Ariyibi
Executive Director/CFO
FRC/2013/ICAN/00000001251

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

Separate Statement of Changes in Equity

for the year ended 31 December 2024

COMPANY	Attributable to equity holders of the parent					
	Share capital ₦'millions	Share premium ₦'millions	Retained earnings ₦'millions	Capital reserve ₦'millions	Fair value reserve ₦'millions	Total ₦'millions
Balance at 1 January 2023	17,948	233,392	39,391	10	(1,684)	289,057
Profit for the year	-	-	15,170	-	-	15,170
Other comprehensive income						
Fair value movements on financial assets	-	-	-	-	185	185
Total comprehensive income	-	-	15,170	-	185	15,355
Transactions with owners						
Dividends	-	-	(17,947)	-	-	(17,947)
Total transactions with Owners	-	-	(17,947)	-	-	(17,947)
At 31 December 2023	17,948	233,392	36,614	10	(1,499)	286,465
Balance at 1 January 2024	**17,948**	**233,392**	**36,614**	**10**	**(1,499)**	**286,465**
Profit for the year	**-**	**-**	**26,224**	**-**	**-**	**26,224**
Other comprehensive income						
Fair value movements on financial assets	**-**	**-**	**-**	**-**	**(635)**	**(635)**
Total comprehensive income	**-**	**-**	**26,224**	**-**	**(635)**	**25,589**
Transactions with owners						
Dividends	**-**	**-**	**(14,358)**	**-**	**-**	**(14,358)**
Total transactions with Owners	**-**	**-**	**(14,358)**	**-**	**-**	**(14,358)**
At 31 December 2024	**17,948**	**233,392**	**48,480**	**10**	**(2,134)**	**297,696**

The accompanying notes are an integral part of this separate and consolidated financial statements.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2024

GROUP	Attributable to equity holders of the parent										
	Share capital ₦'millions	Share premium ₦'millions	Retained earnings ₦'millions	Statutory reserve ₦'millions	Small scale investments reserve ₦'millions	Fair value reserve ₦'millions	Regulatory risk reserve ₦'millions	Foreign currency translation reserve ₦'millions	Total ₦'millions	Non-controlling interest ₦'millions	Total equity ₦'millions
Balance at 1 January 2023	17,948	233,392	397,709	156,553	6,076	98,060	20,224	53,667	983,629	12,112	995,741
Profit for the year	-	-	308,203	-	-	-	-	-	308,203	2,167	310,370
Other comprehensive income											
Foreign operations- foreign currency translation differences	-	-	-	-	-	-	-	285,204	285,204	14,164	299,368
Net changes in fair value	-	-	-	-	-	27,636	-	-	27,636	-	27,636
Net reclassified gains to profit or loss	-	-	-	-	-	5,239	-	-	5,239	-	5,239
Equity investments at FVTOCI- net changes in fair value	-	-	-	-	-	168,463	-	-	168,463	-	168,463
Effects of hyperinflation	-	-	(43,851)	-	-	-	-	-	(43,851)	-	(43,851)
Remeasurement of defined benefit pension scheme	-	-	(1,409)	-	-	-	-	-	(1,409)	-	(1,409)
Related taxes	-	-	3,411	-	-	-	-	-	3,411	-	3,411
Total comprehensive income	-	-	266,354	-	-	201,338	-	285,204	752,896	16,331	769,227
Transfer between reserves	-	-	(57,149)	55,382	-	1,490	277	-	-	-	-
Transactions with owners									-		
Dividends	-	-	(17,947)	-	-	-	-	-	(17,947)	-	(17,947)
Total transactions with Owners	-	-	(17,947)	-	-	-	-	-	(17,947)	-	(17,947)
At 31 December 2023	17,948	233,392	588,967	211,935	6,076	300,888	20,501	338,871	1,718,578	28,443	1,747,021
Balance at 1 January 2024	17,948	233,392	588,967	211,935	6,076	300,888	20,501	338,871	1,718,578	28,443	1,747,021
Profit for the year	-	-	670,799	-	-	-	-	-	670,799	6,206	677,005
Other comprehensive income											
Foreign operations- foreign currency translation differences	-	-	-	-	-	-	-	318,475	318,475	18,165	336,640
Net changes in fair value	-	-	-	-	-	(94,327)	-	-	(94,327)	13	(94,314)
Net reclassified loss to profit or loss	-	-	-	-	-	(3,792)	-	-	(3,792)	-	(3,792)
Equity investments at FVTOCI- net changes in fair value	-	-	-	-	-	157,049	-	-	157,049	-	157,049
Effects of hyperinflation	-	-	(8,946)	-	-	-	-	-	(8,946)	-	(8,946)
Remeasurement of defined benefit pension scheme	-	-	764	-	-	-	-	-	764	-	764
Related taxes	-	-	-	-	-	(1,735)			(1,735)	-	(1,735)
Total comprehensive income	-	-	662,617	-	-	57,195	-	318,475	1,038,287	24,384	1,062,671
Transfer between reserves	-	-	(120,917)	120,156	-	(1,408)	2,169	-	-	-	-
Transactions with owners											
Dividends	-	-	(14,358)	-	-	-	-	-	(14,358)	-	(14,358)
Total transactions with Owners	-	-	(14,358)	-	-	-	-	-	(14,358)	-	(14,358)
At 31 December 2024	17,948	233,392	1,116,309	332,091	6,076	356,675	22,670	657,346	2,742,507	52,827	2,795,334

The accompanying notes are an integral part of this separate and consolidated financial statements.

Separate and Consolidated Statement of Cash Flows

for the year ended 31 December 2024

		Group		Company	
	Note	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Operating activities					
Cash flow from/ (used in) operations	42	**4,205,396**	256,281	**435**	(3,397)
Income taxes paid	18b	**(52,327)**	(31,458)	**-**	-
Interest received	42b(xii)	**1,851,686**	1,269,409	**4,796**	3,447
Interest paid	42b(xiii)	**(994,762)**	(329,120)	**-**	-
Net cash flow from operating activities		**5,009,993**	1,165,112	**5,231**	50
Investing activities					
Purchase of investment securities	42b(v)	**(2,439,458)**	(1,464,155)	**(12,808)**	(3,602)
Proceeds from the sale of investment securities	42b(xviii)	**958,620**	1,213,682	**6,405**	1,103
Dividends received	42b(xiv)	**10,657**	5,742	**21,752**	18,780
Purchase of property and equipment	30	**(95,001)**	(43,637)	**(175)**	(584)
Purchase of intangible assets	31	**(25,042)**	(32,081)	**-**	-
Proceeds on disposal of property and equipment	42b(xi)	**9,310**	1,408	**78**	35
Net cash (used in)/ from investing activities		**(1,580,914)**	(319,041)	**15,252**	15,732
Financing activities					
Dividend paid	48	**(14,358)**	(17,947)	**(14,358)**	(17,947)
Proceeds from new borrowings	37	**463,305**	661,908	**-**	-
Repayment of borrowings	37	**(1,093,926)**	(676,475)	**-**	-
Proceeds from Financial liability at amortised cost	42b(xvii)	**798,812**	-	**-**	-
Repayment of Financial liability at amortised cost	42b(xvii)	**(615,512)**	-	**-**	-
Principal element of lease payments	30	**(1,549)**	(2,827)	**-**	-
Net cash used in financing activities		**(463,228)**	(35,341)	**(14,358)**	(17,947)
Increase/ (decrease) in cash and cash equivalents		**2,965,851**	810,730	**6,125**	(2,165)
Cash and cash equivalents at 1 January		**2,682,586**	1,862,451	**16,523**	18,331
Effect of exchange rate fluctuations on cash held	20	**57,239**	9,405	**621**	357
Cash and cash equivalents at 31 December	20	**5,705,676**	2,682,586	**23,269**	16,523

The accompanying notes are an integral part of this separate and consolidated financial statements.

Notes to the Financial Statements

for the year ended 31 December 2024

1 General information

These are the consolidated and separate financial statements of First HoldCo Plc. (the Company), and its subsidiaries (hereafter referred to as 'the Group'). The Registered office address of the Company is at 35 Marina, Samuel Asabia House, Lagos, Nigeria.

The principal activities of the Group are mainly the provision of commercial banking services, investment banking services, and provision of other financial services and corporate banking.

The separate and consolidated financial statements for the year ended 31 December 2024 were approved and authorised for issue by the Board of Directors on 21 March 2025.

2 Basis of accounting

The Group's separate and consolidated financial statements for the year ended 31 December, 2024 have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standard Board (IFRS Accounting Standards) and in the manner as required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023, the Banks and Other Financial Institutions Act, 2020 and relevant Central Bank of Nigeria (CBN) Guidelines and Circulars.

The separate and consolidated financial statements comprise the separate and consolidated statement of profit or loss, separate and consolidated statement of comprehensive income, separate and consolidated statement of financial position, the separate and consolidated statement of changes in equity, separate and consolidated statement of cash flows and the related notes for the Group and the Company.

The separate and consolidated 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 accounting standards as set out in the relevant accounting policies.

The preparation of the separate and consolidated financial statements in conformity with IFRS accounting standards requires the use of certain critical accounting estimates. It also requires Directors to exercise judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the consolidated financial statements in the period the assumptions changed.

The Directors believe that the underlying assumptions are appropriate and that the separate and consolidated financial statements therefore present the financial position and results fairly. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the separate and consolidated financial statements, are disclosed in Note 5.

2.1 Basis of measurement

The separate and consolidated financial statements have been prepared in accordance with the going concern principle under the historical cost convention except the following:

- Derivative financial instruments which are measured at fair value.
- Financial assets measured at fair value through Profit or Loss
- Financial assets measured at fair value through other comprehensive income
- The liability for defined benefit obligations is recognized as the present value of the defined benefit obligation less the fair value of the plan assets.
- The plan assets for defined benefit obligations are measured at fair value.
- consolidated subsidiaries in an hyper-inflationary economy remeasured to their inflation-adjusted amounts.
- non-current assets held for sale measured at lower of carrying amount and fair value less costs to sell.

2.2 Changes in material accounting policy and disclosures

The Group does not have any changes in material accounting policies in the current annual reporting period.

2.2.1 New standards, interpretations and amendments to existing standards that are not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted; however, except as stated in note 2.1, the Group has not yet adopted the new and amended standards in preparing these consolidated financial statements.

The following new and amended standards are not expected to have a significant impact on the Group's consolidated financial statements:

- **Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)**

In May 2024, the International Accounting Standards Board (IASB) issued Amendments to the classification and Measurement of Financial Instruments which amended IFRS 9 and IFRS 7.

The requirements will be effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted, and are related to:

- settling financial liabilities using electronic payments system; and
- assessing contractual cash flow characteristics of financial assets, including those with sustainability-linked features.

The Group is in the process of assessing the impact of the new amendments.

- **Annual Improvements to IFRS Accounting Standards (Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)**

IFRS 7 Financial Instruments: Disclosures

1. Gain or loss on derecognition. The amendment addresses a potential confusion in paragraph B38 of IFRS 7 arising from an obsolete reference to a paragraph that was deleted from the standard when IFRS 13 Fair Value Measurement was issued.

2. Disclosure of deferred difference between fair value and transaction price. The amendment addresses an inconsistency between paragraph 28 of IFRS 7 and its accompanying implementation guidance that arose when a consequential amendment resulting from the issuance of IFRS 13 was made to paragraph 28, but not to the corresponding paragraph in the implementation guidance.

3. Introduction and credit risk disclosures. The amendment addresses a potential confusion by clarifying in paragraph IG1 that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7 and by simplifying some explanations.

IFRS 9 Financial Instruments

1. Initial measurement of trade receivables. The amendments remove the conflict between IFRS 9 and IFRS 15 over the amount at which a trade receivable is initially measured. Under IFRS 15, a trade receivable may be recognised at an amount that differs from the transaction price – e.g. when the transaction price is variable. Conversely, IFRS 9 requires that companies initially measure trade receivables without a significant financing component at the transaction price.

   The IASB has amended IFRS 9 to require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15.

   Amendment on trade receivables could prompt accounting policy change.

2. Derecognition of a lease liability. If a lease liability is derecognised, then the derecognition is accounted for under IFRS 9. However, when a lease liability is modified, the modification is accounted for under IFRS 16 Leases.

   The IASB's amendment states that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss. These amendments are effective for annual periods beginning on or after 1 January 2026 is not expected to have a significant impact on the Group's consolidated financial statements

IFRS 10 Consolidated financial statements

The amendment addresses a potential confusion arising from an inconsistency between paragraphs B73 and B74 of IFRS 10 related to an investor determining whether another party is acting on its behalf by aligning the language in both paragraphs.

Notes to the Financial Statements

for the year ended 31 December 2024

IAS 7 Statement of Cash Flows

This amendment replaces the term 'cost method' in paragraph 37 of IAS 7 with 'at cost'

These amendments are effective for annual periods beginning on or after 1 January 2026 is not expected to have a significant impact on the Group's consolidated financial statements

- **IFRS 18 Presentation and Disclosures in Financial Statements**

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.

- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.

- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as 'other'.

- Other accounting standards

The Lack of Exchangeability (Amendments to IAS 21) effective for the financial year commencing 1 January 2025 is not expected to have a significant impact on the Group's consolidated financial statements.

2.3 Material accounting policies

The accounting policies set out below have been consistently applied to all periods presented in these consolidated and separate financial statements, except if mentioned otherwise.

2.3.1 Basis of consolidation

a. Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group (see 2.3b).

In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a "concentration test" that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

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

Any contingent consideration is measured at fair value at the date of acquisiton. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within the equity. Otherwise, other contingent consideration is remeasured at fair value ar each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

b. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity if it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it has control if there are changes to one or more of the elements of controls. This includes circumstances in which protective rights held (e.g those resulting from a lending relationship) become substantive and lead to the Group having power over an investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

c. Non-controlling interests

Non-controlling interests are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

d. 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.

e. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss or transferred directly to retained earnings, amounts recognised in OCI in relation to the subsidiary on the same basis as would be required if the parent had directly disposed of the related assets or liabilities. Any interest retained in the former subsidiary is measured at fair value when control is lost.

f. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

g. Associates

Associates are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investment in associates is measured at cost in the separate financial statements of the investor. Investments in associates are accounted for using the equity method of accounting in the Consolidated financial statements of the Group. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

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

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

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

Notes to the Financial Statements

for the year ended 31 December 2024

h. Investment entities

Some of the entities within the Group are investment entities. Equity investments held by these entities in the investee companies are recognised in the statement of financial position at fair value through profit or loss even though the Group may have significant influence over those companies. This treatment is permitted by IAS 28, Investment in associates, which allows investments that are held by Investment Entities to be recognised and measured as at fair value through profit or loss and accounted for in accordance with IFRS 9 and IFRS 13, with changes in fair value recognised in the income statement in the period of the change.

When an entity ceases to be an investment entity, the Group applies IFRS 3 to any subsidiary that was previously measured at fair value through profit or loss.

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

All transactions between business segments are conducted at arm's length, with inter-segment revenue and expenditure eliminated at the Group. Income and expenses directly associated with each segment are included in determining the segment's performance.

2.5 Common control transactions

A business combination involving entities or businesses under common control is excluded from the scope of IFRS 3 Business Combinations. The exemption is applicable where the combining entities or businesses are controlled by the same party both before and after the combination. Where such transactions occur, the Group, in accordance with IAS 8, uses its judgment in developing and applying an accounting policy that is relevant. In making this judgment, directors consider the requirements of IFRS dealing with similar and related issues and the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the framework.

Directors also consider the most recent pronouncements of other standard setting bodies that use a similar conceptual framework to develop accounting standards, to the extent that these do not conflict with the IFRS Framework or any other IFRS standards or interpretation.

Accordingly, the Group's policy is that the assets and liabilities of the business transferred are measured at their existing book value in the consolidated financial statements of the parent, as measured under IFRS. The Company incorporates the results of the acquired businesses only from the date on which the business combination occurs.

2.6 Foreign currency transactions

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 separate and consolidated financial statements are presented in Nigerian Naira which is the group's presentation currency.

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 fair value through other comprehensive income (FVOCI) 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 profit or loss, 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 profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as FVOCI, are included in other comprehensive income.

c. Foreign operations

The results and financial position of all the group entities which have functional currency different from the Group's presentation currency, are translated into the Group's presentation currency as follows:

- assets and liabilities of each foreign operation are translated at the rates of exchange ruling at the reporting date;

- income and expenses of each foreign operation are translated at the average exchange rate for the period, unless this average is not a reasonable approximation of the rate prevailing on transaction date, in which case income and expenses are translated at the exchange rate ruling at transaction date; and

- all resulting exchange differences are recognised in other comprehensive income.

d. 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.

e. Hyperinflationary Accounting - Subsidiaries in hyperinflationary economies

The financial statements of the subsidiaries whose functional currencies are the currencies of hyperinflationary economies are adjusted in terms of the measuring unit at the end of the reporting period following the historic cost approach. However, as the presentation currency of the Group is that of a non-hyperinflationary economy, comparative amounts are not adjusted for changes in the index in the current year.

The carrying amounts of non-monetary assets and liabilities of the subsidiaries are adjusted to reflect the change in the general price index from the date of acquisition to the end of the reporting period. All items recognised in the income statement are restated by applying the change in the general price index from the dates when the items of income and expenses were initially earned or incurred. On initial application of hyperinflation, prior year gains and losses are recognised directly in equity. However, the gains or losses on the net monetary position for the current year are recognised in profit or loss.

At the beginning of the first year of application, the subsidiaries' components of equity, except retained earnings, are restated by applying a general price index from the dates the components were contributed or otherwise arose. These restatements are recognised directly in equity as an adjustment to opening retained earnings. Restated retained earnings are derived from all other amounts in the restated statement of financial position. At the end of the first year and in subsequent years, all components of equity are restated by applying a general price index from the beginning of the year or the date of contribution, if later. All items in the statement of cash flows are expressed in terms of the general price index at the end of the reporting period.

2.7 Income tax expense

Current income tax

Current income tax consists of Company Income Tax, Education tax, National Information Technology Development Agency levy (NITDA) and Nigeria Police Trust Fund (PTF) levy. Company Income tax is assessed at 30% statutory rate of total profit whereas Education tax is computed as 3% of assessable profit, NITDA levy is a 1% levy on Profit Before Tax, and PTF levy is 0.005% of the net profit (defined as profit after tax). The PTF levy is charged on the net profit of the company for the year and therefore falls within the scope of IAS 12 which deals with taxes levied on a net rather than on a gross amount. Current tax also includes any tax arising from dividends.

Income tax payable is calculated on the basis of the applicable tax law in the respective jurisdiction and is recognised as an expense (income) for the period except to the extent that current tax related to items that are charged or credited in other comprehensive income or directly to equity.

In these circumstances, current tax is charged or credited to other comprehensive income or to equity (for example, current tax on equity instruments for which the entity has elected to present gains and losses in other comprehensive income). It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Notes to the Financial Statements

for the year ended 31 December 2024

Current tax assets and liabilities are offset only if certain criteria are met.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore has accounted for them under IAS 37 Provisions, Contingent Liabilities and Contingent Assets and has recognized the related expenses in 'other expenses'.

Minimum Tax

The Group is subject to the Companies Income Tax Act (CITA). Total amount of tax payable under CITA is determined based on the higher of two components namely Company Income Tax (based on taxable income (or loss) for the year); and Minimum tax. Taxes based on taxable profit for the period are treated as income tax in line with IAS 12; whereas Minimum tax which is based on a gross amount is outside the scope of IAS 12 and therefore, are not presented as part of income tax expense in the profit or loss.

Where the minimum tax charge is higher than the Company Income Tax (CIT), the minimum tax charge is recognized in the profit or loss presented above the income tax line as Minimum tax.

Windfall profit levy

This levy is called a 'windfall profit levy' on profit earned from all foreign exchange transactions, imposed on licensed banks in Nigeria. This obligation is payable by all banks licensed to carry out foreign exchange transactions under the Banks and Other Financial Institutions Act, No. 5, 2020 and all other relevant Nigerian laws. This levy is assessed at 70% on realised profits from all foreign exchange transactions of banks within the 2023 to 2025 financial years. The banking subsidiary is subject to this levy. The windfall levy is accounted for as income taxes in the year of assessment.

b Deferred tax

Deferred tax is recognised 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 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 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 tax asset is realised or the deferred tax liability is settled.

Deferred 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 tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred 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 tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax assets and liabilities are only offset when they arise in the same tax reporting group and where there is both the legal right and the intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profit will be available against which they can be used.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects at the reporting date to recover or settle the carrying amount of its assets or liabilities.

2.8 Inventories

Inventories include stock of consumables.

Stock of consumables

Stock of consumables comprise of materials to be consumed in the process of rendering of services as well as accessories held for subsequent issuance to customers. They are measured at lower of cost and net realisable value. Cost comprises cost of purchase and other costs incurred in bringing the items of stock to their present location and condition. Net realisable value is the estimated issuance price. When items of stock are issued to customers, their carrying amount is recognised as an expense in the period in which the relevant revenue is recognised.

2.9 Repossessed collaterals

In certain circumstances, property may be repossessed following the foreclosure on loans that are in default. Repossessed properties are measured at the lower of carrying amount and fair value less cost to sell and reported within 'Other asset'.

2.10 Financial assets and liabilities

In accordance with IFRS 9, all financial assets and liabilities – which include derivative financial instruments – have to be recognised in the statement of financial position and measured in accordance with their assigned category.

Initial Recognition

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. The Group uses settlement date accounting for regular way contracts when recording financial asset transactions. Financial assets that are transferred to a third party but do not qualify for derecognition are presented in the statement of financial position as 'Assets pledged as collateral', if the transferee has the right to sell or repledge them.

At initial recognition, the Group measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at FVOCI, as described in note 3.2.11, which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognises the difference as follows:

(a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.

(b) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs or realized through settlement.

2.10.1 Financial assets

Classification and measurement

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

- Fair Value through Other Comprehensive Income (FVOCI)
- Fair Value through Profit or Loss (FVTPL)
- Amortised Cost

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

- Fair Value through Other Comprehensive Income (FVOCI)
- Fair Value through Profit or Loss (FVTPL)

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

Notes to the Financial Statements

for the year ended 31 December 2024

Business Model Assessment

Business Model assessment involves determining whether financial assets are held to collect the contractual cashflows (rather than sell the instrument prior to its contractual maturity to realise its fair value changes).

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- Investment strategy for holding or selling the assets
- Past experience on how cash flows for these assets were collected.
- How the asset's performance is evaluated and reported to key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of sales are also important aspects of the Group's assessment.

The business model for each portfolio of financial assets are to be categorized into one of the following models:

- **Hold-to-collect contractual cash flows:** Financial assets held with the sole objective to collect contractual cashflows;
- **Hold-to-collect contractual cash flows and sell:** Financial assets held with the objective to both collect contractual cashflows and sell;
- **Fair value through profit or loss (FVTPL) business model:** Financial assets held with neither of the objectives mentioned in the two categories above. They are basically financial assets held with the sole objective to trade and realize fair value changes.

Cash flow characteristics assessment

The assessment aims to identify whether the contractual cash flows are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The contractual cash flow characteristics assessment involves assessing the contractual features of an instrument to determine if they give rise to cash flows that are consistent with a basic lending arrangement.

The SPPI test is based on the premise that it is only when the variability in the contractual cash flows arises to maintain the holder's return in line with a 'basic lending arrangement' that the application of the effective interest method provides useful information.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset due to repayments. Thus the principal is not the legal amount due under the contractual terms of an instrument. This definition allows assets acquired at a discount or premium pass the SPPI test.

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

a. Financial assets measured at amortised cost

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is determined using the effective interest method and reported in profit or loss as 'Interest income'.

A financial asset qualifies for amortised cost measurement only if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. If a financial asset does not meet both of these conditions, then it is measured at fair value.

b. Financial assets measured at FVOCI

A debt instrument shall be measured at FVOCI if both of the following conditions are met and is not designated as at FVTPL:

- The asset is held within a business model in which assets are managed to achieve a particular objective by both collecting contractual cash flows and selling financial assets;

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

Gains and losses are recognised in OCI within a separate component of equity, except for the following items, which are recognised in profit or loss in the same manner as for financial assets measured at amortised cost:

- interest revenue using the effective interest method;

- expected credit losses and reversals; and

- foreign exchange gains and losses.

When the debt instrument is disposed or derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in "other gains or (losses)".

c. Financial assets measured at FVTPL

A debt instrument that is not measured at amortised cost or at FVOCI must be measured at FVTPL. These would include debt instruments that are held for trading and those that have been designated as fair value through profit or loss at initial recognition. Gains and losses both on subsequent measurement and derecognition are recognised in profit or loss and reported as "Net gains or (losses)" in the period in which it arose.

A debt instrument that is not measured at amortised cost or at FVOCI must be measured at FVTPL. These would include debt instruments that are held for trading and those that have been designated as fair value through profit or loss at initial recognition. Gains and losses both on subsequent measurement and derecognition are recognised in profit or loss and reported as "Net gains or (losses)" in the period in which it arose.

The Group may irrevocably designate a debt instrument as measured at FVTPL on initial recognition only if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch'). Such mismatches would otherwise arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.

d. Equity Instruments

Equity investments are measured at FVTPL. However on initial recognition, the Group can make an irrevocable election to measure an equity investment at FVOCI. This option only applies to instruments that are neither held for trading nor contingent consideration, recognised by an acquirer in a business combination to which IFRS 3 applies.

For equities measured at FVOCI, fair value gains and losses on the equity remeasurements are recognised in OCI. However, dividends are recognised in profit or loss unless they clearly represent a repayment of part of the cost of the investment.

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The amounts recognised in OCI are never reclassified from equity to profit or loss.

e. Impairment of Financial Assets

The Group recognizes expected credit losses ("ECL") on forward-looking basis for its financial assets measured at amortized cost, lease receivables, debt instrument at fair value through other comprehensive income, loan commitments and financial guarantee contracts not measured at fair value through profit or loss.

No impairment is recognised on equity investments. This is because the fair value changes would incorporate impairment gains or losses if any.

The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by 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.

f. Modification and renegotiation of financial assets

Where the terms of a financial asset are modified, the Group assesses whether the new terms are substantially different to the original terms. If the terms are substantially different, the Group derecognizes the original financial assets and recognizes a new asset at fair value and recalculates the effective interest rate.

Any difference between the amortized cost and the present value of the estimated future cash flows of the modified asset or consideration received on derecognition is recorded as a separate line item in profit or loss as 'gains and losses arising from the derecognition of financial assets measured at amortized cost'.

If the cash flows of the modified asset carried at amortized cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Group recalculates the gross carrying amount of the financial asset and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss as part of impairment charge for the year.

g. Derecognition other than on a modification

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either

(i) the Group transfers substantially all the risks and rewards of ownership, or

(ii) the Group neither transfers nor retains substantially all the risks and rewards of ownership and the Group has not retained control.

The Group enters into transactions where it retains the contractual rights to receive cash flows from assets but assumes a contractual obligation to pay those cash flows to other entities and transfers substantially all of the risks and rewards. These transactions are accounted for as 'pass through' transfers that result in derecognition if the Group:

(i) Has no obligation to make payments unless it collects equivalent amounts from the assets;

(ii) Is prohibited from selling or pledging the assets; and

(iii) Has an obligation to remit any cash it collects from the assets without material delay.

Collateral (shares and bonds) furnished by the Group under standard repurchase agreements and securities lending and borrowing transactions are not derecognised because the Group retains substantially all the risks and rewards on the basis of the predetermined repurchase price, and the criteria for derecognition are therefore not met.

h. Reclassifications

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

When reclassification occurs, the Group reclassifies all affected financial assets in accordance with the new business model. The reclassification should be applied prospectively from the 'reclassification date', which is defined as, 'the first day of the first reporting period following the change in business model that results in the Group reclassifying financial assets'. Accordingly, any previously recognised gains, losses or interest should not be restated.

i. Derivative financial instruments

Derivatives are classified as assets when their fair value is positive or as liabilities when their fair value is negative. Derivative assets and liabilities arising from different transactions are only offset where there is a legal right of offset of the recognised amounts and the parties intend to settle the cash flows on a net basis, or realise the asset and settle the liability simultaneously.

j. Embedded derivatives

Hybrid contracts contain both a derivative and a non-derivative component. In such cases, the derivative component is termed an embedded derivative. Where the economic characteristics and risks of the embedded derivatives are not closely related to those of the host contract, and the host contract itself is not carried at fair value through profit or loss, the embedded derivative is bifurcated and measured at fair value with gains and losses being recognised in the income statement.

2.10.2 Financial liabilities

Financial liabilities are classified into one of the following measurement categories:

- Fair value through profit or loss (FVTPL)
- Amortised cost

a. Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities are measured at FVTPL when they are designated as such on initial recognition using the fair value option or when they meet the definition of held for trading i.e.

- it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
- on initial recognition 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;
- or it is a derivative [except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument].

For financial liabilities designated as at FVTPL using the fair value option, the element of gains or losses attributable to changes in the Group's own credit risk are recognised in OCI, with the remainder recognised in profit or loss. The movement in fair value attributable to changes in the Group's own credit quality is calculated by determining the changes in credit spread above observable market interest rates. These amounts recognised in OCI are not recycled to profit or loss if the liability is ever repurchased at a discount.

However, if presentation of the fair value change in respect of the liability's credit risk in OCI creates or enlarges an accounting mismatch in profit or loss, gains and losses must be entirely presented in profit or loss. To determine whether the treatment would create or enlarge an accounting mismatch, the Group assesses whether it expects the effect of the change in the liability's credit risk to be offset in profit or loss by a change in fair value of another financial instrument, such as when the fair value of an asset is linked to the fair value of the liability. If such a mismatch does arise, the Group will be required to present all fair value changes of the liability in profit or loss.

b. Financial liabilities at amortised cost

Financial liabilities not held at FVTPL are subsequently measured at amortised cost using the effective interest method.

Financial liabilities measured at amortised costs are deposits from banks or customers, debt securities in issue for which the fair value option is not applied, convertible bonds and subordinated debts.

c. Derecognition of financial liabilities

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

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The exchange between the Group and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability.

In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

2.10.3 Determination of fair value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. For financial instruments traded in active markets, the determination of fair values of financial assets and financial liabilities is based on quoted market prices or dealer price quotations. This includes listed equity securities and quoted debt instruments on major exchanges (for example, the Nigerian Stock Exchange (NSE)) and broker quotes from Bloomberg and Reuters.

A financial instrument is regarded as quoted in an active market 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.

If the above criteria are not met, the market is regarded as being inactive. Indications that a market is inactive are when there is a wide bid-offer spread or significant increase in the bid-offer spread or there are few recent transactions.

For all other financial instruments, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs (for example, LIBOR yield curve, foreign exchange rates, volatilities and counterparty spreads) existing at the date of the statement of financial position.

The Group uses widely recognised valuation models for determining fair values of non standardised financial instruments of lower complexity, such as options or interest rate and currency swaps. For these financial instruments, inputs into models are generally market-observable.

For more complex instruments, the Group uses internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. Valuation models are used primarily to value derivatives transacted in the over-the-counter market, unlisted securities (including those with embedded derivatives) and other instruments for which markets were or have become illiquid. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The impact on other comprehensive income of financial instrument valuations reflecting non-market observable inputs (level 3 valuations) is disclosed in Note 3.6. The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Group holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risks, liquidity risk and counterparty credit risk.

Based on the established fair value model governance policies, and related controls and procedures applied, management believes that these valuation adjustments are necessary and appropriate to fairly state the values of financial instruments carried at fair value in the statement of financial position. Price data and parameters used in the measurement procedures applied are generally reviewed carefully and adjusted, if necessary – particularly in view of the current market developments. The estimated fair value of loans and advances represents an estimation of the value of the loans using average benchmarked lending rates which were adjusted for specific entity risks based on history of losses.

The Group makes transfers between levels of fair value hierarchy when reliable market information becomes available (such as an active market or observable market input) to the Group. This transfer is done on the date in which the market information becomes available.

2.10.4 Offsetting financial instruments

Master agreements provide that, if an event of default occurs, all outstanding transactions with the counterparty will fall due and all amounts outstanding will be settled on a net basis.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a currently legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in event of default, insolvency or bankruptcy of the company or the counterparty.

2.11 Revenue recognition

a. Interest income and expense

Interest income and expense for all interest-bearing financial instruments are recognised within 'interest income' and 'interest expense' in profit or loss using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees. For purchased or originated credit-impaired (`POCI') financial assets — assets that are credit-impaired at initial recognition — the Group calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

The application of the method has the effect of recognising income (and expense) receivable (or payable) on the instrument evenly in proportion to the amount outstanding over the period to maturity or repayment. In calculating effective interest, the Group estimates cash flows considering all contractual terms of the financial instrument but excluding future credit losses.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for:

(a) POCI financial assets, for which the original credit-adjusted effective interest rate is applied to the amortised cost of the financial asset.

(b) Financial assets that are not 'POCI' but have subsequently become credit-impaired (or 'stage 3'), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e. net of the expected credit loss provision).

When the Group revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

b. Fees and commission income

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. For other fees and commission income, it is the Group's policy to recognise revenue from a contract when it has been approved by both parties, rights have been clearly identified, payment terms have been defined, the contract has commercial substance, and collectability has been ascertained as probable. Revenue is recognised when control of goods or services have been transferred. Control of an asset refers to the ability to direct the use of and obtain substantially all of the remaining benefits (potential cash inflows or savings in cash outflows) associated with the asset.

Credit related fees: This includes advisory and commitment fees. These are fees charged for administration and advisory services to the customer up to the customer's acceptance of the offer letter. The advisory and commitment fees are earned at the point in time where the customer accepts the offer letter which is when the Group recognises its income. These fees are not integral to the loan, therefore, they are not considered in determining the effective interest rate.

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Letter of credit and commission fees: This represents commission earned on Letter of credit contracts initiated at the request of customers. The nature of this income is such that the performance obligation is the execution of customer's instruction: a direct payment is made on behalf of our customers to the beneficiary (as stated by our customer) when goods/services are received; OR, a payment is made to the stated beneficiary only when our customer cannot fulfill its obligation. Income earned on letter of credit contracts is satisfied at a point in time. This is because revenue is recognised only when payments have been received by the intended beneficiary.

Electronic banking fees: Electronic banking fees relate to fees & commission charged by the banking subsidiaries on electronic transactions carried out by its customers e.g. USSD income, Agency banking commission. The nature of this income is such that the performance obligation of the group is the provision of the platform for the execution of the transactions. Income is earned when these transactions have been successfully executed on these platforms. Income from electronic banking is satisfied at a 'point in time.

Money transfer commission: This represents commission earned on local & foreign money transfers initiated by the Group's customers. The nature of this income is such that the performance obligation of the group is the delivery of transferred monies to the intended beneficiaries. Income on money transfers is satisfied at a "point in time". This is because commission is recognized only when the transferred sums have been delivered to their intended recipients.

Commission on Bonds and Guarantees: This represents commission earned on bond and guarantees contracts. It includes commissions earned on advanced payment guarantees, performance bonds, bid bonds etc. This fee is earned over the tenor of the bond and guarantee.

Funds transfer and intermediation fees: This is principally made of commission on collections. The group acts as a collecting agent for corporate bodies or government organisations; thus, earns commissions on these collection services. The Group's performance obligation is the collection of funds on behalf of the customer. Income from funds transfer and intermediation is satisfied at a point in time as the commission earned is deducted & recognized when remitting these funds to the respective customer.

Account maintenance fees: This represents the fee charged by banking subsidiaries within the Group on current accounts maintained by customers. This fee is charged with respect to customer induced debit transactions to third parties as well as debit transfers/lodgements to customer's account in another bank. This was introduced by the CBN to replace COT which was abolished by the regulator in 2016. The performance obligation required from the Group in the maintenance/safe keeping of the customers' fund. Income earned from account maintenance is satisfied at a 'point in time.

Brokerage and intermediation fees: This represents fees charged by the group in order to execute transactions or provide specialized services as requested by customers. Such transaction/services include execution of primary & secondary market transaction on behalf of customers. Income from brokerage and intermediation services are satisfied at a point in time as they are earned and recognized when such services have been executed on behalf of customers.

Custodian fees: This represents commission earned by the group while rendering custodian services to its customers. These custodian services are to a large extent the safe keeping of financial assets. Income earned on custodian services are earned at a point in time.

Trust fee income: This represents income earned from the Group's trustee services. Income earned on trustee services are earned at a point in time.

c. **Dividend income:** Dividend income is recognised when the right to receive income is established. This income is earned at a point in time.

d. **Other operating income:** This largely comprises of income made from private banking services, profit on sale of plant and equipment, gain on sale of properties,recoveries from previously written off loan and other exceptional income. These income are earned at a point in time

2.12 Impairment of non-financial assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Additionally, assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash-generating units).

The impairment test also can be performed on a single asset when the fair value less cost to sell or the value in use can be determined reliably. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Impairment losses recognised in prior periods are assessed at each reporting date for any 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. An impairment loss in respect of goodwill is not reversed.

2.13 Discontinued operations

The Group presents discontinued operations in a separate line in the income statement if an entity or a component of an entity has been disposed or is classified as held for sale and:

i. represents a separate major line of business or geographical area of operations;

ii is a part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or

iii. is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs on disposal or when the operation meets the criteria to be classified as held for sale. When an operation is classified as a discontinued operation, the comparative income statement is re-presented as if the operation had been discontinued from the start of the comparative year.

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 cost 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 period in which it arises.

2.14 Collateral

The Group obtains collateral where appropriate, from customers to manage their credit risk exposure to the customer. The collateral normally takes the form of a lien over the customer's assets and gives the Group a claim on these assets for both existing and future customers in the event that the customer defaults.

The Group may also use other credit instruments, such as stock borrowing contracts, and derivative contracts in order to reduce their credit risk.

Collateral received in the form of securities is not recorded on the statement of financial position. Collateral received in the form of cash is recorded on the statement of financial position with a corresponding liability. These items are assigned to deposits received from bank or other counterparties. Any interest payable or receivable arising is recorded as interest expense or interest income respectively.

2.15 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

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- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:

- the Group has the right to operate the asset; or
- the Group designed the asset in a way that predetermines how and for what purpose it will be used.

The Group primarily leases buildings for use as office spaces for branch operations, quick service points (QSPs) and residential use, land for use as car parks and off-site ATM locations, printers for office equipment.

Lease terms are negotiated on an individual basis and contain different terms and conditions, including extension and termination options. On renewal of a lease, the terms may be renegotiated and the lease terms range from 1 year to 25 years.

The lease agreements do not impose any covenants - however, leased assets may not be used as security for borrowing purposes.

Contracts may contain both lease and non-lease components. The Group has elected to separate lease and non-lease components and treat them accordingly.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Leases in which the Group is a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Lease Liabilities

At the commencement date of a lease, the Group recognises lease liabilities at the present value of lease payments to be made over the lease term. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The lease payments are discounted using the Group's incremental borrowing rate, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. The balance of the lease liability is included in Other Liabilities in the separate and consolidated statements of financial position (See Note 35).

Right of use assets

Right-of-use assets are initially measured at cost, comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date, less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

The Group presents right-of-use assets in 'property and equipment' in the separate and consolidated statements of financial position (See Note 30 (a)).

Short-term leases and leases of low-value assets

Short-term leases are those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Low-value assets are assets that have values less than ₦1 million when new,e.g., small IT equipment and small items of office furniture, and depends on the nature of the asset. Lease payments on short-term leases and leases of low-value assets would be recognised as expenses in profit or loss on a straight-line basis over the lease term. The Group has applied the low value lease exemption for leases of printers as they are less than ₦1 million when new.

Extension and termination options

Extension and termination options are included in all of the Group's lease arrangements. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. Most of the extension options are subject to mutual agreement by the Group and the lessors and some of the termination options held are exercisable only by the Group.

b The Group is the lessor

(i) Operating lease

When assets are subject to an operating lease, the assets continue to be recognised as property and equipment based on the nature of the asset. Lease income is recognised on a straight line basis over the lease term.

(ii) Finance lease

When assets are held subject to a finance lease, the related asset is derecognised and the present value of the lease payments (discounted at the interest rate implicit in the lease) is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method which allocates rentals between finance income and repayment of capital in each accounting period in such a way that finance income will emerge as a constant rate of return on the lessor's net investment in the lease.

2.16 Property and Equipment

Initial Recognition and Measurement

All property and equipment used by the parent or its subsidiaries is stated at historical cost less depreciation less accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent expenditures are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are

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charged to other operating expenses during the financial period in which they are incurred.

Depreciation

Land is not depreciated. Depreciation of other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Asset Class	Depreciation rate
Improvement & buildings	2%
Motor Vehicles	25%
Office Equipment	20%
Computer Equipment	33.33%
Plant and Equipment	20%
Furniture, fittings & equipment	20%
Right-of-use Assets	Lower of lease term or the useful life for the specificed class of item

Depreciation rates, methods and the residual values underlying the calculation of depreciation of items of property and equipment are kept under review on an annual basis to take account of any change in circumstances.

Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognized or classified as held for sale in accordance with IFRS 5.

When deciding on depreciation rates and methods, the principal factors the Group takes into account are the expected rate of technological developments and expected market requirements for, and the expected pattern of usage of, the assets.

When reviewing residual values, the Group estimates the amount that it would currently obtain for the disposal of the asset after deducting the estimated cost of disposal if the asset were already of the age and condition expected at the end of its useful economic life. No depreciation is provided on freehold land, although, in common with all long-lived assets, it is subject to impairment testing, if deemed appropriate.

Work in Progress represents costs incurred on the assets that are not available for use. On becoming available for use, the related amounts are transferred to the appropriate category of property and equipment.

Derecognition

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/ 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.

2.17 Intangible assets

a. Goodwill

Goodwill arises on the acquisition of subsidiary and associates, and represents the excess of the cost of acquisition, over the fair value of the Group's share of the assets acquired, and the liabilities and contingent liabilities assumed on the date of the acquisition.

For the purpose of calculating goodwill, fair values of acquired assets, liabilities and contingent liabilities are determined by reference to market values or by discounting expected future cash flows to present value. This discounting is either performed using market rates or by using risk-free rates and risk-adjusted expected future cash flows. Goodwill is initially recognised as an asset at cost and subsequently measured at cost less accumulated impairment losses, if any. Goodwill which is recognised as an asset is reviewed at least annually for impairment. Any impairment loss is immediately recognised in profit or loss.

For the purpose of impairment testing, goodwill is allocated to each cash-generating unit that is expected to derive benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. Any impairment loss recognised for goodwill is not reversed in a subsequent period.

Goodwill on acquisitions of associates is included in the amount of the investment.

Gains and losses on the disposal of an entity include the carrying amount of the goodwill relating to the entity sold.

b. Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group, are recognised as intangible assets when the following criteria are met:

i. It is technically feasible to complete the software product so that it will be available for use;

ii. Management intends to complete the software product and use or sell it;

iii. There is an ability to use or sell the software product;

iv. It can be demonstrated how the software product will generate probable future economic benefits;

v. Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and

vi. The expenditure attributable to the software product during its development can be reliably measured.

Subsequent expenditure on computer software is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Direct computer software development costs recognised as intangible assets are amortised on the straight-line basis over a period of 3 years and are carried at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation methods, useful lives and residual values are reviewed at each financial period-end and adjusted if appropriate.

c. Derecognition

An item of intangibles is derecognised on disposal or when no future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

2.18 Cash and cash equivalents

Cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purposes of the statement of cash flows, cash and cash equivalents excludes restricted balances with central banks.

2.19 Employee benefits

(i) Post-employment benefits

The Group has both defined benefit and defined contribution plans

a. Defined contribution plan

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

The Company and all entities within the Group make contributions in line with relevant pension laws in their jurisdiction. In Nigeria, the Company contributes 16.5% of each employee's monthly

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emoluments (as defined by the Pension Act 2014) to the employee's Retirement Savings Account. The Act stipulates a minimum contribution of 10%.

b. Defined benefit plan

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors, such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the date of the statement of financial position less the fair value of plan assets.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of Federal government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Remeasurement gains and losses are charged or credited to equity in other comprehensive income in the period in which they arise. Past service costs are recognised immediately in income."

(ii) Short-term benefits

Short-term benefits consists of salaries, accumulated leave allowances, bonuses and other non-monetary benefits. Short-term benefits are measured on an undiscounted basis and are expensed as the related services provided.

A liability is recognised for the amount expected to be paid under short-term cash benefits such as accumulated leave and leave allowances if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be measured reliably.

2.20 Provisions

Provisions are recognised for present obligations arising as consequences of past events where it is probable that a transfer of economic benefit will be necessary to settle the obligation, and it can be reliably estimated.

When a leasehold property ceases to be used in the business or a demonstrable commitment has been made to cease to use a property where the costs exceed the benefits of the property, provision is made, where the unavoidable costs of the future obligations relating to the lease are expected to exceed anticipated rental income and other benefits. The net costs are discounted using market rates of interest to reflect the long-term nature of the cash flows.

Provision is made for the anticipated cost of restructuring, including redundancy costs when an obligation exists. An obligation exists when the Group has a detailed formal plan for restructuring a business and has raised valid expectations in those affected by the restructuring by starting to implement the plan or announcing its main features. The provision raised is normally utilised within nine months.

Provision is made for undrawn loan commitments and similar facilities if it is probable that the facility will be drawn and result in the recognition of an asset at an amount less than the amount advanced.

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is uncertain or cannot be reliably measured. Contingent liabilities are not recognised but are disclosed unless they are remote.

2.21 Fiduciary activities

The Group acts as trustees and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. These assets and income arising thereon are excluded from these consolidated and separate financial statements, as they are not assets of the Group.

2.22 Issued debt and equity securities

Issued financial instruments or their components are classified as liabilities where the contractual arrangement results in the Group having a present obligation to either deliver cash or another financial asset to the holder, to exchange financial instruments on terms that are potentially unfavourable or to satisfy the obligation otherwise than by the exchange of a fixed amount of cash or another financial asset for a fixed number of equity shares. Issued financial instruments, or their components, are classified as equity where they meet the definition of equity and confer on the holder a residual interest in the assets of the Group. The components of issued financial instruments that contain both liability and equity elements are accounted for separately with the equity component being assigned the residual amount after deducting from the instrument as a whole the amount separately determined as the fair value of the liability component.

2.23 Share capital

a. Share issue costs

Incremental costs directly attributable to the issue of new shares or options or to the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds.

b. Dividends on ordinary shares

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the shareholders.

Dividends for the year that are declared after the reporting date are dealt with in the subsequent events note.

Dividends proposed by the Directors but not yet approved by members are disclosed in the consolidated and separate financial statements in accordance with the requirements of the Company and Allied Matters Act 2020.

c. 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 Group by the weighted average number of ordinary shares outstanding during the period. 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.

c. Treasury shares

Where the Company or other members of the Group purchase the Company's equity share capital, the consideration paid is deducted from total shareholders' equity as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity.

d. Regulatory Risk Reserve

In compliance with the Prudential Guidelines for licensed Banks, the Group assesses qualifying financial assets using the guidance under the Prudential Guidelines. The guidelines apply objective and subjective criteria towards providing for losses in risk assets. Assets are classed as performing or non-performing. Non-performing assets are further classed as Substandard, Doubtful or Lost with attendants provision as 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 general provision is taken on all risk assets that are not specifically provisioned, including facilities with covid 19 and other related restructuring.

The results of the application of Prudential Guidelines and the impairment determined for these assets under IFRS 9 are compared. The IFRS 9 determined impairment charge is always included in the income statement.

Where the Prudential Guidelines provision is greater, the difference is appropriated from Retained Earnings and included in a non-distributable reserve ""Statutory credit reserve"". Where the IFRS 9 impairment is greater, no appropriation is made and the amount of the IFRS 9 impairment is recognised in income statement.

Following an examination, the regulator may also require more amounts be set aside on risk and other assets. Such additional amounts are recognised as an appropriation from retained earnings to statutory risk reserve.

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2.24 Financial guarantees

Financial guarantees are contracts that require the Group to make specific payments to reimburse the holder of a loss it incurs because a specific debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are initially recognised at the 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).

3. Financial risk management

3.1 Introduction and overview

Effective risk management is fundamental to the business activities of the Group. At First HoldCo Plc, we promote a culture where risk management is everyone's business from board level down to risk owners and units across the Group.

Our approach to risk is supported by a robust Enterprise Risk Management framework (ERM) and a strong risk culture to identify, measure, monitor and control risks thereby promoting accountability at all levels across the group. Objectives of the ERM framework are communicated through risk policies and standards which are intended to provide consistent design and execution of strategies across the organization.

The risks arising from financial instruments to which the Group is exposed are financial risks, which includes Credit risk, Liquidity risk and Market risk. Other material risks impacting activities of the group include, Operational, Legal, Compliance, Strategic, Reputational, Information security, Environmental and Social risk.

3.1.1 Risk Management Philosophy

The key elements of the risk management philosophy are the following:

- The Group considers sound risk management to be the foundation of a long-lasting financial institution.
- The Group continues to adopt a holistic and integrated approach to risk management and, therefore, brings all risks together under one or a limited number of oversight functions.
- Risk officers are empowered to perform their duties professionally and independently without undue interference.
- Risk management is governed by well-defined policies that are clearly communicated across the Group.
- Risk management is a shared responsibility. Therefore, the Group aims to build a shared perspective on risks that is grounded in consensus.
- The Group's risk management governance structure is clearly defined.
- There is a clear segregation of duties between market-facing business units and risk management functions.
- Risk-related issues are taken into consideration in all business decisions. The Group shall continue to strive to maintain a conservative balance between risk and revenue considerations.
- Risk officers work as allies and thought partners to other stakeholders within and outside the Group and are guided in the exercise of their powers by a deep sense of responsibility, professionalism and respect for other parties
- Risks are reported openly and fully to the appropriate levels once they are identified; and
- All subsidiaries are guided by the principles enshrined in the risk management policies of the Group.

3.1.2 Risk Appetite

Risk appetite is the level and type of risk the Group is willing to assume in its exposures and business activities, given its business objectives and obligations to stakeholders. Risk appetite is generally expressed through quantitative and qualitative means and considers extreme conditions, events and outcomes. In addition, risk appetite reflects potential impact on earnings, capital and funding / liquidity.

The Group's risk appetite is the amount of risk it is willing to accept to align with and support our financial and strategic objectives, relative to our risk capacity to assume losses.

Risk Appetite Statement (RAS)

Our RAS is the expression of the maximum level of risk we would take across the major risks facing our business and accept in the pursuit of our strategic objectives. The Group would accept moderate risk in every activity it undertakes to achieve these strategic objectives by declaring its willingness to accept moderate risks related to each key value driver.

Risk Tolerance

This refers to the quantitative thresholds that allocate the Group's risk appetite to specific risk types, business units, products, customer segments, and other levels. Certain risk tolerances are policy limits that shall not be exceeded except under extraordinary circumstances (hard limits), while other risk tolerances are guideposts or trigger points for risk reviews and mitigation (soft limits).

Whereas risk appetite is a strategic determination based on long-term objectives, risk tolerance is a tactical readiness to bear a specific risk within established parameters. Enterprise-wide strategic risk appetite is thus translated into specific tactical risk tolerances that constrain risk-acceptance activities at the business level. Risk tolerances are the parameters within which a Group (or business unit or function) must operate to achieve its risk appetite.

Once established, these parameters are communicated downward throughout the Group to give clear guidelines to every stakeholder and to provide feedback when they are exceeded.

3.1.3 Risk Management Framework

The risk management framework of the Group consists of a comprehensive set of policies, standards, procedures and processes designed to identify, measure, monitor, mitigate and report significant risk exposures in a consistent and effective manner across the Group.

With an increasing focus on consistency and transparency, the Group regularly assesses and enhances its risk management framework to ensure it is fit-for-purpose.

The Group's framework for management of enterprise risk specifically covers:

- Governance and oversight of the overall risk management framework.
- Risk appetite statement and risk appetite measurements.
- Policies, procedures, controls and systems through which risk is identified and managed.
- Oversight, control, assurance and delegation of authorities for each type of risk.
- Monitoring and reporting of the risk profile against risk appetite.
- Control and correction of the risk profile should it deviate from risk appetite.
- Reassessment of risk appetite and/or the Group's strategy in the light of changes in the business.

The Board of Directors has overall responsibility for the establishment of the Group's Risk Management framework and exercises its oversight function through its various committees. These committees are responsible for developing and monitoring risk policies in their specific areas and report regularly to the Board of Directors. The Board Committees are assisted by the various Management Committees in identifying and assessing risks arising from day to day activities of the Group.

3.1.4 Risk Governance Structure, Roles and Responsibilities

The Group addresses the challenge of risks by applying leading practices that are supported by a robust governance structure consisting of board level and executive management committees.

The Group adopts the 'three-pronged line of defense' model to underpin its approach to strong risk management principles. Through this model, the Group monitors, manages and mitigates its material risks on a Group-wide basis. Risk governance is maintained through delegation of authority from the board, down to management hierarchy, supported by committee structure both at the board level and at management level. The delegation of risk management responsibilities across the group is structured to ensure that decisions are enacted at the most appropriate level, in line with business objectives, subject to robust and effective review. Strategic business decisions are taken within a Board-approved risk appetite with the executive

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and risk committees closely monitoring risk profiles against this appetite.

RISK GOVERNANCE FRAMEWORK

FIRST LINE OF DEFENCE	SECOND LINE OF DEFENCE	THIRD LINE OF DEFENCE
Daily risk management, monitoring and high level oversight	Risk oversight and challenges, policies and methodologies.	Independent assurance of risk management
Business units and risk-takers	• Risk Committees • Chief Risk Officers, Heads of Risk across the Group • Risk Management function	• Audit Committee • Internal Audit • External Audit • Regulators • External Assessors

a. **First Line of Defence - Risk Management and Ownership**

The primary responsibilities and objectives of the first line of defence include:

- Managing risks/implementing actions to manage and treat risks at transaction level;
- Implementing risk management processes on an ongoing basis as changes occur with business mix, systems, or regulatory and other requirements;
- Executing risk assessments and identifying emerging risks at the transaction/business case level.

b. **Second Line of Defence - Risk Oversight**

The main objective of the second line of defence is to provide oversight of the execution of the frontline controls. The second line of defence is responsible for monitoring the internal controls that have been designed with the following main responsibilities:

- Establishing risk management policies and processes;
- Strategically linking the controls of risk enterprise-wide;
- Providing guidance and coordination among all monitoring participants (risk management, compliance and legal divisions);
- Identifying enterprise trends, synergies and opportunities for change;
- Initiating change, integrating and making new monitoring processes operational; and
- Oversight over key risks.

c. **Third Line of Defence - Risk Assurance**

The third line of defence is responsible for assessing and providing independent assurance on the adequacy, appropriateness and effectiveness of Group's overall risk management framework, policy and risk plan implementation. It provides independent perspectives on the overall control framework and tests the adequacy of the controls design and effectiveness. The main duties of this line of defense include:

- Performing periodic reviews based on a rationalized and systematized approach that allows for risk assessment and governance reporting;
- Providing oversight on the risk management process;
- Reporting to the executive management committee, the audit committee and the board of directors on the state of the control environment and gaps in the controls or monitoring environment;

Board Audit & Risk Assessment Committee evaluates the processes for identifying, assessing, monitoring and managing key risk areas; it also evaluates the adequacy of the group's risk management systems and control environment.

Management Committee is responsible for formulating policies; monitoring implementation of risk policies; reviewing risk reports for presentation to the Board/Board committees; and Implementing Board decisions across the Group.

3.2 Credit risk

Credit risk is the single largest risk for the Group's business therefore, prominence is placed on effective management of credit risk.

Credit risk is defined as the potential that a borrower or counter party will fail to meet obligations in accordance with agreed terms. It is also defined as the possibility of losses associated with diminution in the credit quality of borrowers or counter-parties.

Credit risk arises mainly from commercial and consumer loans and advances and loan commitments arising from such lending activities. It can also arise from credit enhancement provided such as financial guarantees, letters of credit, endorsements and acceptances.

The Risk Management function of each subsidiary has specific and overall responsibility for facilitating risk asset creation and exposure management processes across the Group.

3.2.1 Management of Credit Risk

The Credit Risk Policy Manual is the primary reference document for creating and managing credit risk exposures. The manual outlines the general policies and procedures, framework for credit risk management across the subsidiaries and incorporates provisions for marketing, risk analysis, approval, administration, monitoring and reporting of risk exposures.

The Credit Risk Management Policy Manual is designed to:

- Standardize credit policies, give employees clear and consistent direction for the creation of risk exposures across all asset creating business units;
- Provide a comprehensive guide and framework in creating and managing risk assets;
- Ensure prompt identification of problem credits and prudent management of decline in credit quality;
- Outline the requirements for administration and reporting of individual exposures and the overall risk asset portfolio; and
- Provide a framework for the on-going maintenance of the risk management policies and processes.

Credit risk management policies and procedures are articulated by the Risk Management function of each subsidiary.

3.2.2 Risk limit control and mitigation policies

The Group manages, limits and controls concentrations of credit risk wherever they are identified – in particular, to individual counterparties and groups, and to industries and countries.

The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to geographical and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review, when considered necessary. Limits on the level of credit risk by product, industry sector and counterparty are set by the Board of Directors on the recommendation of the Chief Risk Officer.

(a) Portfolio limits

In line with the Group's credit policy, a detailed portfolio plan is prepared annually and provides a framework for creation of credits and risk appetite development. In drawing up the plan, the Group reviews macro-economic, regulatory and political factors, identifies sectors/industries with opportunity as well as the Group's business targets to determine appropriate portfolio and sub-portfolio limits.

The Group's Portfolio limit includes:

- Maintain aggregate large exposure of not more than 400% of shareholders' funds.
- Maintain minimum weighted average obligor risk rating (obligor-WARR) of 'Ba2'
- Maintain minimum weighted average facility risk rating (facility-WARR) of 'Ba2'
- The Group adopts industry/economic sector limits on its loan portfolio, in line with the following policies:
    - The Group would strive to limit its exposure to any single industry to not more than 20% of its loan portfolio and such industry must be rated 'Baa3' or better.
    - No more than 15% of the Group's portfolio would be in any industry rated 'Ba3' or worse.
    - No more than 10% of the Group's portfolio in any single industry rated 'B3' or worse

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(b) Geographical limits

Presently, the Group's exposures outside Nigeria are taken by its subsidiaries in the United Kingdom and other African countries, which operate within country limits defined by their Boards of Directors. In addition, the Group has a fully developed country risk rating system that could be employed, should the need arise. In such eventuality, limits will be graduated on country risk rating.

(c) Single obligor limits

The Group as a matter of policy does not lend above the regulatory lending limit in each of the jurisdiction in which it operates. Internal guidance limits are also set to create a prudent buffer.

For all retail borrowers, limits are kept low and graduated with credit scoring, forecast cash flow and realizable value of collateral. The group shall apply the granularity criterion on its retail credit portfolio:

- No single retail loan should amount to more than 0.2% of total retail portfolio.

The Group also sets internal credit approval limits for various levels in the credit process.

Approval limits are set by the Board of Directors and reviewed from time to time as the circumstances of the Group demand. Exposure to credit risk is also managed through regular analysis of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate.

3.2.3 Collateral held as security to mitigate credit risk

The Group employs a range of policies and practices to mitigate credit risk. The most common of these is accepting collateral for funds advanced. The Group has internal policies on the acceptability of specific classes of collateral or credit risk mitigation.

Collateral values are assessed by a professional at the time of loan origination and are thereafter monitored in accordance with the provisions of the credit policy. The principal collateral types for loans and advances are:

- Cash/Treasury bill/Government securities
- Legal Mortgage over residential properties, business real estates in prime locations
- Charge over business fixed and floating assets as well as inventory
- Guarantee from acceptable corporates
- Equitable Mortgage on real estates in prime locations
- Negative Pledge
- Domiciliation of receivables from acceptable corporates.

Debt securities, treasury and other eligible bills are generally unsecured, except for asset-backed securities and similar instruments, which are secured by portfolios of financial instruments. For exposures to corporate and large institutions, the Group will often require the collateral to include a first charge over land and buildings owned and occupied by the business, a mortgage debenture over the Company's undertaking on one or more of its assets and keyman insurance.

No loan allowance is recognized for the portion of the Group's financial assets which are fully collateralized by cash in the same currency in accordance with the Group's expected credit loss model. The carrying amount of such financial assets is ₦483.50 billion as at 31 December 2024 (2023: ₦952.82 billion).

The Group's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Group since the prior period.

The Group takes physical possession of properties or other assets held as collateral and uses external agents to realise the value as soon as practicable to settle indebtedness. Any surplus funds realised from such disposal are returned to the borrower or are otherwise dealt with in accordance with appropriate regulations. The assets in such cases are not carried on the Group's balance sheet.

The Group closely monitors collateral held for financial assets considered to be credit-impaired, as it becomes more likely that the Group will take possession of collateral to mitigate potential credit losses. The repossessed assets are sold as soon as practicable, with proceeds realised from the sale used to reduce the outstanding indebtedness of the customers. Financial assets that are credit-impaired and related collateral held in order to mitigate potential losses are shown below:

GROUP December 2024	Gross Exposure ₦'millions	Impairment Allowance ₦'millions	Carrying Amount ₦'millions	Fair value of Collateral held ₦'millions
Credit-Impaired assets				
Retail portfolio				
- Overdrafts	**2,012**	**(1,543)**	**469**	**189**
- Credit cards	**250**	**(123)**	**127**	**3**
- Term loans	**8,149**	**(4,481)**	**3,668**	**3**
- Mortgages	**8,215**	**(846)**	**7,369**	**-**
Corporate portfolio			**-**	
- Overdrafts	**101,486**	**(57,203)**	**44,283**	**19,757**
- Term loans	**815,896**	**(332,398)**	**483,498**	**749,281**
- Project Finance	**8,869**	**(4,909)**	**3,960**	**1,589**
Total Credit Impaired Assets	**944,877**	**(401,503)**	**543,374**	**770,822**

GROUP December 2023	Gross Exposure ₦'millions	Impairment Allowance ₦'millions	Carrying Amount ₦'millions	Fair value of Collateral held ₦'millions
Credit-Impaired assets				
Retail portfolio				
- Overdrafts	1,165	(812)	353	955
- Credit cards	173	(34)	139	-
- Term loans	5,200	(1,128)	4,072	275
- Mortgages	1,284	(145)	1,139	18
Corporate portfolio			-	
- Overdrafts	5,871	(3,276)	2,595	758
- Term loans	185,441	(53,850)	131,591	556,708
- Project Finance	122,782	(68,006)	54,776	14,574
Total Credit Impaired Assets	321,916	(127,251)	194,665	573,288

3.2.4 Exposure Management

To minimise the risk and occurrence of loss as a result of decline in quality and non-performance of risk assets, clear requirements and guidelines for on-going management of the risk asset portfolio and individual risk exposures are defined. On-going exposure management entails collateral management, facility performance monitoring, exposure quality reviews, prompt and timely identification of decline in quality and risk portfolio reporting.

3.2.5 Delinquency Management/Loan Workout

The Group's delinquency management process involves effective and timely management of accounts showing signs of delinquency to reduce the crystallisation of impairment loss. In line with the Group's delinquency management process, all activities are geared towards resuscitating delinquent loans and includes restructuring and loan work-out arrangements.

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3.2.6 Credit Recovery

In the event of continued delinquency and failure of remediation, full credit recovery action is initiated to recover on such exposures and minimise the overall credit loss to the Group. Recovery action may include appointment of a receiver manager, external recovery agent and/or sale of pledged assets.

3.2.7 Write-Off

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Group's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

The Group may write-off financial assets that are still subject to enforcement activity.The outstanding contractual amounts of such assets written off during the year ended 31 December 2024 was ₦230.06 billion (December 2023: ₦53.12billion). The Group still seeks to recover amounts it is legally owed in full, but which have been partially written off due to no reasonable expectation of full recovery.

3.2.8 Modification of financial assets

The Group sometimes modifies the terms of loans provided to customers due to commercial renegotiations, or for distressed loans, with a view to maximising recovery.

Such restructuring activities include extended payment term arrangements, payment holidays and payment forgiveness. Restructuring policies and practices are based on indicators or criteria which, in the judgement of management, indicate that payment will most likely continue. These policies are kept under continuous review. Restructuring is most commonly applied to term loans.

The risk of default of such assets after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and so does not result in derecognition of the original asset (refer to notes 1.2.1.1(iv) and (v) above). The Group monitors the subsequent performance of modified assets. The Group may determine that the credit risk has significantly improved after restructuring, so that the assets are moved from Stage 3 or Stage 2 (Lifetime ECL) to Stage 1 (12-month ECL). This is only the case for assets which have performed in accordance with the new terms for three consecutive months or more (for non-specialised assets) and six consecutive months or more (for specialised assets).

The Group continues to monitor if there is a subsequent significant increase in credit risk in relation to such assets through the use of specific models for modified assets.

3.2.9 Governance structure around the ECL model

The governance around ECL model centres on oversight functions of primary stakeholders. Oversight function is provided over the following:

i. Obligor ratings

ii. Loss Given Default

iii. Derivation of Credit Conversion Factor (CCF), Exposure at Default (EAD), scenarios and the use of forward looking estimates. Data utilized in deriving these estimates are sourced from credible sources. However, a team of IT experts still carry out periodic checks for system vulnerability, performance and deficiency.

Overall, review of completeness and accuracy is jointly carried out by credit risk team, internal control on regular basis and by internal audit periodically.

3.2.10 Grouping of instruments for losses measured on collective basis

To estimate credit losses for retail portfolio, the Group adopts a model which groups loans with similar or homogeneous characteristics together and this mainly based on the product types. Products are segmented into four broad categories namely Credit Cards, Mortgages, Term loans and Overdrafts.

Models for Probability of default and loss given default are built in line with the segmentation and the output provide PD and LGD for each of the product category while EAD is applied at individual level.

PD for each product category is calculated as the ratio of the loans which have defaulted to the total count of the loans in the product group while LGD is estimated based on account balances, recoveries and collateral cover.

The appropriateness of groupings is monitored and reviewed on a periodic basis by the Credit Risk team.

3.2.11 Credit risk measurement

In measuring credit risk of financial assets (loans and advances to customers and to banks, Investment securities and loan commitments) at a counterparty level, the Group reflects the following components:

- The character and capacity to pay of the client or counterparty to meet its contractual obligations;
- Current exposures to the counterparty and its likely future development;
- Credit history of the counterparty; and
- The likely recovery ratio in case of default obligations – value of collateral and other ways out.

Obligor Risk Rating

The Group has a robust internal rating system it leverages on to determine credit worthiness of its borrowers and likelihood of default.

The obligor risk rating grids is based on a 21-master rating scale mapped into 9 buckets to provide a pre-set objective basis for making credit decisions and estimating expected credit loss (ECL) in line with IFRS 9 requirements. The rating adopted depends on outcome of quantitative and qualitative factors considered on the customer and reflects the inherent risks associated with each customer.

The rating tools are reviewed and upgraded when necessary. The Group regularly validates the performance of the rating tools and their predictive powers regarding default events.

Each risk bucket may be denoted alphabetically and by range of scores as follows:

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Description	Scale Rating			Grade
Highest quality, with minimal credit risk	Aaa	Aaa	1	Investment Grade
High quality, subject to very low credit risk	Aa1	Aa	2	
	Aa2		3	
	Aa3		4	
Considered upper-medium and may possess certain speculative characteristics	A1	A	5	
	A2		6	
	A3		7	
Considered medium-grade and may possess certain speculative characteristics	Baa1	Baa	8	
	Baa2		9	
	Baa3		10	
Considered to have speculative elements and are subject to substantial credit risk	Ba1	Ba	11	Non Investment Grade
	Ba2		12	
	Ba3		13	
Considered speculative and are subject to high credit risk	B1	B	14	
	B2		15	
	B3		16	
Considered to be of poor standing and are subject to very high credit risk	Caa1	Caa	17	
	Caa2		18	
	Caa3		19	
In or near default, with possibility of recovery	Ca	Ca	20	
In default with little chance of recovery	C	C	21	

3.2.12 Expected Credit loss measurement

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 the 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. Please refer to note 3.2.11(a) for a description of how the Group determines when a significant increase in credit risk has occurred.
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'. Refer to note 3.2.11(b) for a description of credit-impaired and default.
- 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 th next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis. Refer to note 3.2.11(c) for a description of inputs, assumptions and estimation techniques used in measuring the ECL.

- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information. Note 3.2.11(d) includes an explanation of how the Group has incorporated this in its ECL models.
- Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on inital recognition. Their ECL is always measured on a lifetime basis (Stage 3)

The key judgements and assumptions adopted by the Group in addressing the requirements of the standard are discussed below.

However, the simplified approach has been adopted for trade receivables and other assets.

a Assessment of significant increase in credit risk

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:

Corporate portfolio, Investment Securities and Placements with financial institutions

Quantitative Criteria:

This is based on the backstop policy disclosed in the next section. Downward rating migration as at reporting date compared to initial rating at origination that exceeds specified threshold as specified per table below:

Criteria	Number of notches/rating scale considered significant
Rating Notches Downgrade	>= 4
Poor Credit Rating Threshold	>=17
Default	>=20

Migrations to rating scale 17 and above is considered stage 2 while rating scale 20 and above is considered stage 3. Please refer to Note 3.2.11 on 21 rating scale adopted by the Group.

Qualitative Criteria:

If the borrower is on the watchlist and/or the instrument meets one or more of the following criteria:

i Significant increase in credit spread

ii Significant adverse changes in business, financial and/or economic conditions in which the borrower operates

iii Actual or expected forbearance or restructuring

iv Actual or expected significant adverse change in operating results of the borrower

v Significant change in collateral value (secured facilities only) which is expected to increase risk of default.

vi Early signs of cashflow/liquidity problems such as delay in servicing of trade creditors/loans

Retail Portfolio

Quantitative Criteria:

This is based on the backstop policy disclosed in the next section

Qualitative Criteria:

If the borrower meets one or more of the following criteria:

i In short-term forbearance

ii Significant modification to contractual terms

iii Previous arrears within the last 3 months

iv Negative credit bureau reports

The assessment of SICR incorporates forward-looking information (refer to note 3.2.11(d) for further information) and is performed on a periodic basis at a counterparty level for all financial instruments held by the Group.

Backstop

A backstop is applied and the financial instrument considered to have experienced a significant increase in credit risk if the

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borrower is more than 30 days past due on its contractual payments, however specialized facilities are considered to have experienced significant increase in credit risk if the borrower is more than 90 days past due on its contractual repayment. Specialized facilities include lending for Project/ Object finance and Commercial Real Estate.

The Group has not used the low credit risk exemption for any financial instruments in the year ended 31 December 2024.

b 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 (with the sole exception of specialized lending for project, object and commercial real estate where a borrower is required to be more than 180 days past due to be considered in default).

Qualitative criteria

The following qualitative criteria indicates that a borrower is in significant financial difficulty:

- long-term forbearance
- Deceased borrower
- Insolvency or Bankruptcy
- Breach of financial covenant(s)
- Disappearance of an active market for a financial asset due to financial difficulties
- Concessions made by the lender in relation to the borrower's financial difficulty

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.

Cure Criteria

- An exposure will move from stage 2 to 1 where probationary period of 90 days is met subject to all payments being up to date with the customer demonstrating ability to maintain future repayments.
- An Exposure will move from Stage 3 to 2 where probationary period of 180 days is met and there is consistency in repayment of obligations as and when due.

c Measuring ECL — Explanation of inputs, assumptions and estimation techniques

The Expected Credit Loss (ECL) is measured on either a 12-month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.
- EAD is based on the amounts the Group expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). For 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 (LGD) represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of

loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The 12M PD associated with a given rating is calibrated to a 12M Point in Time PD (PiT PD) using regression analysis while the lifetime PD is developed by applying a cross section regression model which extends the 12-month PiT PD over a long-time horizon. The cross-sectional analysis incorporates time-variant factors, time-invariant factors and idiosyncratic factors.

The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by facility type.

- For amortising products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12month or lifetime basis. This will also be adjusted for any expected overpayments made by a borrower.

- 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 which has embedded cost of recovery, recovery period and haircuts.

- For unsecured products, the group leverages on a statistical model which estimates recovery rate based on analysis of default data. The model takes in to consideration the credit worthiness and borrowers industry in arriving at the recovery rate.

- LGD's are typically set at product level for retail portfolio and counterparty level for the corporate portfolio, investment securities and placements with financial institutions.

Forward-looking economic information is also included in determining the 12-month and lifetime PD, EAD and LGD. These assumptions vary by portfolio/product type. Refer to note 3.2.11(d) for an explanation of forward- looking information and its inclusion in ECL calculations.

The assumptions underlying the ECL calculation such as rating migration for determination of PDs and change in collateral values etc. are monitored and reviewed on a quarterly basis. There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

d Forward-looking information incorporated in the ECL models

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Group has performed historical analysis and identified the key macro-economic variables impacting credit risk and expected credit losses for its portfolio.

These variables and their associated impact on the PD, EAD and LGD vary by portfolio type; in addition, expert judgment has also been applied in this process.

Forecasts of these macro-economic variables for each of the possible scenarios (upturn, baseline and downturn) are provided by Moody's Analytics economic's team (Groups Vendor) via its platform known as Data Buffet on a quarterly basis. The platform can provide an economic forecast up to 30 years. The impact of these economic variables on the PD, EAD and LGD has been determined by performing statistical cross sectional regression analysis to understand the impact changes in these variables have had historically on default rates and on the components of LGD and EAD.

Weights are assigned to the possible outcome of each scenario based on statistical regression analysis and expert judgement taking account of the range of possible outcomes each chosen scenario is representative of.

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The assessment of SICR is determined using rating migration which are linked to the PDs of each scenarios multiplied by the associated scenario weighting, along with qualitative and backstop indicators (see note 3.2.11a). This determines whether the whole financial instrument is in Stage 1, Stage 2, or Stage 3 and hence whether 12-month or lifetime ECL should be recorded. Following this assessment, the Group measures ECL as either a probability weighted 12 month ECL (Stage 1), or a probability weighted lifetime ECL (Stages 2 and 3). These probability-weighted ECLs are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting.

Generally, in economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty, hence the actual outcomes may be significantly different to those projected. Therefore, the Group considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the Group's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

e Simplified Approach

In determining the ECL for other assets, the Group applies the simplified approach to estimate ECLs, adopting a provision matrix, where the receivables are grouped based on the nature of the transactions, aging of the balances and different historical loss patterns, to determine the lifetime ECLs. The provision matrix estimates ECLs on the basis of historical default rates, adjusted for forward looking estimates e.g. inflation, exchange rates etc.

3.2.13 Economic variable assumptions

The most significant period-end assumptions in the table below is for First Bank of Nigeria Limited as at 31 December 2024. First Bank contributes 99.9% of the total Loans and advances to customers of the Group, therefore the table is a representative for the Group

Corporate Portfolio, Investment Securities and Placements with financial institutions

		2024	2025	2026	2027	2028
Gross Domestic Product (₦'billions)	Base	76,833	79,218	82,836	86,813	90,663
	Upturn	77,902	81,073	84,827	89,751	94,497
	Downturn	73,156	75,908	80,330	83,838	87,051
Stock Index Price (₦per share)	Base	44,273	45,356	49,369	52,938	56,067
	Upturn	48,503	49,805	53,399	56,870	59,766
	Downturn	33,792	36,696	42,567	47,041	50,710
Oil price (USD per barrel)	Base	88.84	76.88	73.84	74.23	74.33
	Upturn	91.61	75.78	69.55	69.24	70.40
	Downturn	72.36	57.98	64.69	67.18	68.61

The most significant period-end assumptions used for the ECL estimate as at 31 December 2023 are set out below.

		2024	2025	2026	2027	2028
Gross Domestic Product (₦'billions)	Base	78,983	81,552	84,687	88,743	94,077
	Upturn	80,247	83,290	86,769	91,360	97,821
	Downturn	76,578	77,748	81,835	85,796	90,541
Stock Index Price (₦per share)	Base	68,353	74,086	80,678	87,830	94,899
	Upturn	73,275	80,854	87,771	94,581	101,422
	Downturn	56,389	57,260	66,885	76,826	84,987
Oil price (USD per barrel)	Base	84	77	74	74	74
	Upturn	86	78	74	74	74
	Downturn	66	60	69	72	73

In current year, First Bank adopted the Gaussian distribution method of probability distribution to determine the weights of each of its selected scenarios. Expert judgement was applied for other entities. The weightings assigned to each economic scenario are as follows:

DECEMBER 2024	Base	Upturn	Downturn
Corporate portfolio, Investment Securities and Placement with financial institutions	**40%**	**33%**	**27%**

DECEMBER 2023	Base	Upturn	Downturn
Corporate portfolio, Investment Securities and Placement with financial institutions	45%	33%	22%

Other forward-looking considerations not otherwise incorporated within the above scenarios, such as the impact of any regulatory, legislative or political changes, have also been considered, but are not deemed to have a material impact and therefore no adjustment has been made to the ECL for such factors. This is reviewed and monitored for appropriateness on a quarterly basis.

3.2.14 Sensitivity analysis on ECL Model

The most significant assumptions affecting the ECL allowance are as follows:

Corporate Portfolios

(i) GDP, given the significant impact on companies' performance and collateral valuations

(ii) Oil price, given its significant impact on Nigerian economy and industry players

(iii) Stock Price Index, given its relevance for evaluating market performance of firms.

The sensitivity analysis has been determined by changing one variable or holding it constant on the x -axis, while changing another variable or holding it constant on the y-axis. Set out below are the changes to the ECL that would result if the economic variable assumptions used to measure ECL remain as expected, as well as if each of the key assumptions used change by plus or minus 10%.

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DECEMBER 2024		Oil Price		
Corporate Portfolios		₦'millions (-10%)	₦'millions No change	₦'millions +10%
GDP	+10%	389,486	391,748	392,761
	No Change	370,520	377,360	384,200
	(-10%)	358,971	362,744	366,518

DECEMBER 2023		Oil Price		
Corporate Portfolios		₦'millions (-10%)	₦'millions No change	₦'millions +10%
GDP	+10%	163,259	162,711	157,724
	No Change	169,801	166,256	162,711
	(-10%)	174,788	169,801	163,259

3.2.15 Measurement basis of financial assets and liabilities

GROUP

31 December 2024	Fair Value through P/L ₦'millions	Fair Value through OCI ₦'millions	Amortised cost ₦'millions	Total ₦'millions
Financial assets				
Cash and balances with central banks	-	-	4,415,186	4,415,186
Loans and advances to banks	-	-	3,302,480	3,302,480
Loans and advances to customers - Corporate Portfolio:				
- Overdrafts	-	-	661,012	661,012
- Term loans	-	-	7,394,622	7,394,622
- Project finance	-	-	222,255	222,255
Loans and advances to customers - Retail Portfolio:				
- Overdrafts	-	-	38,716	38,716
- Term loans	-	-	183,055	183,055
- Credit cards	-	-	4,016	4,016
- Mortgage	-	-	264,212	264,212
Financial assets at fair value through profit or loss	443,567	-	-	443,567
Investment securities:				
- Investments at FVOCI	-	4,471,687	-	4,471,687
- Investments at amortised cost	-	-	2,064,708	2,064,708
Asset pledged as collateral	-	822,897	246,328	1,069,225
Other assets	-	-	982,098	982,098
Total Financial Assets	443,567	5,294,584	19,778,688	25,516,839

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31 December 2024	Fair Value through P/L ₦'millions	Fair Value through OCI ₦'millions	Amortised cost ₦'millions	Total ₦'millions
Financial liabilities				
Deposits from banks	-	-	2,922,432	2,922,432
Deposits from customers	-	-	17,170,690	17,170,690
Financial liabilities at fair value through profit or loss	50,256	-	-	50,256
Financial liabilities at amortized cost	-	-	198,188	198,188
Other liabilities	-	-	1,216,073	1,216,073
Borrowings	-	-	1,559,353	1,559,353
Total Financial Liabilities	50,256	-	23,066,736	23,116,992

31 December 2023	Fair Value through P/L ₦'millions	Fair Value through OCI ₦'millions	Amortised cost ₦'millions	Total ₦'millions
Financial assets				
Cash and balances with central banks	-	-	2,572,363	2,572,363
Loans and advances to banks	-	-	2,053,230	2,053,230
Loans and advances to customers - Corporate Portfolio:				-
- Overdrafts	-	-	753,666	753,666
- Term loans	-	-	4,814,966	4,814,966
- Project finance	-	-	400,036	400,036
Loans and advances to customers - Retail Portfolio:				
- Overdrafts	-	-	44,130	44,130
- Term loans	-	-	210,378	210,378
- Credit cards	-	-	3,027	3,027
- Mortgage	-	-	133,091	133,091
Financial assets at fair value through profit or loss	748,785	-	-	748,785
Investment securities:				-
- Investments at FVOCI	-	1,330,161	-	1,330,161
- Investments at amortised cost	-	-	1,467,459	1,467,459
Asset pledged as collateral	-	1,456,183	62,911	1,519,094
Other assets	-	-	472,885	472,885
Total Financial Assets	748,785	2,786,344	12,988,142	16,523,271

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31 December 2023	Fair Value through P/L ₦'millions	Amortised cost ₦'millions	Total ₦'millions
Financial liabilities			
Deposits from banks	-	1,803,182	1,803,182
Deposits from customers	-	10,663,346	10,663,346
Financial liabilities at fair value through profit or loss	143,470	-	143,470
Other liabilities	-	1,257,639	1,257,639
Borrowings	-	1,250,827	1,250,827
Total Financial Liabilities	143,470	14,974,994	15,118,464

COMPANY

31 December 2024	Fair Value through P/L ₦'millions	Fair Value through OCI ₦'millions	Amortised cost ₦'millions	Total ₦'millions
Financial assets				
Loans and advances to banks	-	-	23,269	23,269
Loans and advances to customers - Retail portfolio				
- Staff loans	-	-	178	178
Financial assets at FVTPL	-	-	-	-
Investment securities:				-
- Investment securities at FVOCI	-	14,504	-	14,504
Other assets	-	-	22,521	22,521
Total Financial Assets	-	14,504	45,968	60,472

31 December 2024	Fair Value through P/L ₦'millions	Amortised cost ₦'millions	Total ₦'millions
Financial liabilities			
Other liabilities	-	29,077	29,077
Total Financial Liabilities	-	29,077	29,077

COMPANY

31 December 2023	Fair Value through P/L ₦'millions	Fair Value through OCI ₦'millions	Amortised cost ₦'millions	Total ₦'millions
Financial assets				
Loans and advances to banks	-	-	16,523	16,523
Loans and advances to customers - Retail portfolio				
- Staff loans	-	-	269	269
Financial assets at FVTPL	504	-	-	504
Investment securities:				-
- Investment securities at FVOCI	-	6,959	-	6,959
Other assets	-	-	17,144	17,144
Total Financial Assets	504	6,959	33,936	41,399

31 December 2023	Fair Value through P/L ₦'millions	Amortised cost ₦'millions	Total ₦'millions
Financial liabilities			
Other liabilities	-	19,041	19,041
Total Financial Liabilities	-	19,041	19,041

3.2.16 Maximum exposure to credit risk before collateral held or credit enhancements

(a) Financial instruments subject to impairment

The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised. The gross carrying amount of financial assets below also represents the Group's maximum exposure to credit risk on these assets.

GROUP

	Balances with Central Banks 31 December 2024				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	4,092,789	-	-	-	4,092,789
Non Investment Grade	-	-	-	-	-
Gross Carrying Amount	4,092,789	-	-	-	4,092,789
Loss allowance	-	-	-	-	-
Carrying Amount	4,092,789	-	-	-	4,092,789

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	Loans and Advances to Banks 31 December 2024				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	1,343,396	-	-	-	1,343,396
Non Investment Grade	1,969,610	-	-	-	1,969,610
Gross Carrying Amount	3,313,006	-	-	-	3,313,006
Loss allowance	(10,526)	-	-	-	(10,526)
Carrying Amount	3,302,480	-	-	-	3,302,480

	Loans and Advances to Customers - Retail Portfolio 31 December 2024				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	16,638	-	-	-	16,638
Non Investment Grade	460,170	7,512	-	-	467,682
Default	-	-	18,626	-	18,626
Gross Carrying Amount	476,808	7,512	18,626	-	502,946
Loss allowance	(5,665)	(289)	(6,993)	-	(12,947)
Carrying Amount	471,143	7,223	11,633	-	489,999

	Loans and Advances to Customers - Corporate Portfolio 31 December 2024				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	1,850,707	101,217	-	-	1,951,924
Non Investment Grade	3,428,197	2,453,635	-	-	5,881,832
Default	-	-	926,251	-	926,251
Gross Carrying Amount	5,278,904	2,554,852	926,251	-	8,760,007
Loss allowance	(19,447)	(68,161)	(394,510)	-	(482,118)
Carrying Amount	5,259,457	2,486,691	531,741	-	8,277,889

	Debt Investment Securities - at FVOCI 31 December 2024				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	4,021,021	-	-	-	4,021,021
Non Investment Grade	-	-	-	-	-
Carrying Amount	4,021,021	-	-	-	4,021,021
Loss allowance	(5,958)	-	-	-	(5,958)
Carrying Amount	4,015,063	-	-	-	4,015,063

	Investment Securities - at Amortised Cost 31 December 2024				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	1,990,956	-	-	-	1,990,956
Non Investment Grade	86,770	-	-	-	86,770
Gross Carrying Amount	2,077,726	-	-	-	2,077,726
Loss allowance	(13,018)	-	-	-	(13,018)
Carrying Amount	2,064,708	-	-	-	2,064,708

	Assets Pledged as Collateral 31 December 2024				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	1,069,225	-	-	-	1,069,225
Non Investment Grade	-	-	-	-	-
Gross Carrying Amount	1,069,225	-	-	-	1,069,225
Loss allowance	-	-	-	-	-
Carrying Amount	1,069,225	-	-	-	1,069,225

Notes to the Financial Statements

for the year ended 31 December 2024

	Other Assets -Simplified approach 31 December 2024					
	0-30 days	31-60 days	61-180 days	181 -365 days	> 365 days	Total
Receivables (₦'millions)	232,547	-	-	367,752	438,586	1,038,885
Expected Loss rate (%)	4%	0%	0%	3%	9%	5%
ECL (₦'millions)	8,618	-	-	10,653	37,516	56,787

	Balances with Central Banks 31 December 2023				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	2,412,858	-	-	-	2,412,858
Non Investment Grade	-	-	-	-	-
Gross Carrying Amount	2,412,858	-	-	-	2,412,858
Loss allowance	(10,148)	-	-	-	(10,148)
Carrying Amount	2,402,710	-	-	-	2,402,710

	Loans and Advances to Banks 31 December 2023				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	534,094	-	-	-	534,094
Non Investment Grade	1,021,302	-	539,145	-	1,560,447
Gross Carrying Amount	1,555,396	-	539,145	-	2,094,541
Loss allowance	(5,914)	-	(35,397)	-	(41,311)
Carrying Amount	1,549,482	-	503,748	-	2,053,230

	Loans and Advances to Customers - Retail Portfolio 31 December 2023				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	9,003	-	-	-	9,003
Non Investment Grade	375,851	2,325	-	-	378,176
Default	-	-	7,822	-	7,822
Gross Carrying Amount	384,854	2,325	7,822	-	395,001
Loss allowance	(2,066)	(190)	(2,119)	-	(4,375)
Carrying Amount	382,788	2,135	5,703	-	390,626

	Loans and Advances to Customers - Corporate Portfolio 31 December 2023				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	771,194	-	-	-	771,194
Non Investment Grade	3,851,839	1,301,705	-	-	5,153,544
Default	-	-	314,094	-	314,094
Gross Carrying Amount	4,623,033	1,301,705	314,094	-	6,238,832
Loss allowance	(13,387)	(131,645)	(125,132)	-	(270,164)
Carrying Amount	4,609,646	1,170,060	188,962	-	5,968,668

	Debt Investment Securities - at FVOCI 31 December 2023				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	806,804	-	-	-	806,804
Non Investment Grade	222,144	-	-	-	222,144
Gross Carrying Amount	1,028,948	-	-	-	1,028,948
Loss allowance	(2,063)	-	-	-	(2,063)
Carrying Amount	1,026,885	-	-	-	1,026,885

	Investment Securities - at Amortised Cost 31 December 2023				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	1,431,721	-	-	-	1,431,721
Non Investment Grade	50,548	-	-	-	50,548
Default	-	-	-	-	-
Gross Carrying Amount	1,482,269	-	-	-	1,482,269
Loss allowance	(14,810)	-	-	-	(14,810)
Carrying Amount	1,467,459	-	-	-	1,467,459

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for the year ended 31 December 2024

	Assets Pledged as Collateral 31 December 2023				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	1,519,094	-	-	-	1,519,094
Non Investment Grade	-	-	-	-	-
Gross Carrying Amount	1,519,094	-	-	-	1,519,094
Loss allowance	-	-	-	-	-
Carrying Amount	1,519,094	-	-	-	1,519,094

	Other Assets -Simplified approach 31 December 2023					
	0-30 days	31-60 days	61-180 days	181 -365 days	> 365 days	Total
Receivables (₦'millions)	147,678	499	405	306,728	33,512	488,822
Expected Loss rate (%)	0.17%	2.00%	0.49%	1.88%	29.58%	3.26%
ECL	254	10	2	5,757	9,914	15,937

COMPANY

	Loans and Advances to Banks 31 December 2024				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	**23,269**	-	-	-	**23,269**
Non Investment Grade	-	-	-	-	-
Gross Carrying Amount	**23,269**	-	-	-	**23,269**
Loss allowance	-	-	-	-	-
Carrying Amount	**23,269**	-	-	-	**23,269**

	Loans and Advances to Customers - Retail Portfolio 31 December 2024				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	-	-	-	-	-
Non Investment Grade	178	-	-	-	178
Gross Carrying Amount	178	-	-	-	178
Loss allowance	-	-	-	-	-
Carrying Amount	178	-	-	-	178

	Debt Investment Securities - at FVOCI 31 December 2024				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	14,504	-	-	-	14,504
Non Investment Grade	-	-	-	-	-
Gross Carrying Amount	14,504	-	-	-	14,504
Loss allowance	-	-	-	-	-
Carrying Amount	14,504	-	-	-	14,504

	31 December 2024 Total ₦'millions
Other assets	22,521
ECL	-
Carrying amount	22,521

	Loans and Advances to Banks 31 December 2023				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	16,523	-	-	-	16,523
Non Investment Grade	-	-	-	-	-
Gross Carrying Amount	16,523	-	-	-	16,523
Loss allowance	-	-	-	-	-
Carrying Amount	16,523	-	-	-	16,523

Notes to the Financial Statements

for the year ended 31 December 2024

	Loans and Advances to Customers - Retail Portfolio 31 December 2023				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	-	-	-	-	-
Non Investment Grade	269	-	-	-	269
Gross Carrying Amount	269	-	-	-	269
Loss allowance	-	-	-	-	-
Carrying Amount	269	-	-	-	269

	Debt Investment Securities - at FVOCI 31 December 2023				
	Stage 1 12-month ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Purchased Credit-Impaired ₦'millions	Total ₦'millions
Credit Grade					
Investment grade	6,959	-	-	-	6,959
Non Investment Grade	-	-	-	-	-
Default	-	-	-	-	-
Gross Carrying Amount	6,959	-	-	-	6,959
Loss allowance	-	-	-	-	-
Carrying Amount	6,959	-	-	-	6,959

	31 December 2023 Total ₦'millions
Other assets	17,144
ECL	-
Carrying amount	17,144

(b) Financial instruments not subject to impairment

The following table contains an analysis of the maximum credit risk exposure from financial assets not subject to impairment

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Financial Assets at FVPTL				
- Debt Securities	**148,737**	48,631	**-**	-
- Derivatives	**182,093**	620,503	**-**	-

3.2.17 Concentration of risks of financial assets with credit risk exposure

(a) Geographical sectors

The following table breaks down the Group's credit exposure at their carrying amounts (without taking into account any collateral held or other credit support), as categorised by geographical region as of 31 December 2024 and 31 December 2023. For this table, the Group has allocated exposures to regions based on the country of domicile of its counterparties. Investment securities and financial assets at fair value through profit or loss analysed below excludes investments in equity instruments.

GROUP	Lagos ₦'millions	Southern Nigeria ₦'millions	Northern Nigeria ₦'millions	Rest of Africa ₦'millions	Europe ₦'millions	America ₦'millions	Total ₦'millions
Balances with central bank	3,673,716	-	-	656,584	84,886	-	4,415,186
Loans and advances to banks	964,040	-	-	1,276,816	1,061,624	-	3,302,480
Loans and advances to customers - Retail portfolio	46,207	69,655	52,284	41,647	280,206	-	489,999
Loans and advances to customers - Corporate portfolio	5,712,769	613,937	123,788	1,164,606	652,758	10,031	8,277,889
Financial assets at FVTPL	330,830	-	-	-	-	-	330,830
Investment securities							
- FVOCI Investments	4,463,604	-	-	-	-	8,083	4,471,687
- Amortised cost investments	485,312	-	-	22,133	57,866	1,499,397	2,064,708
Asset pledged as collateral	1,026,159	-	-	43,066	-	-	1,069,225
Other assets	838,232	-	-	133,090	10,776	-	982,098
31 December 2024	**17,540,869**	**683,592**	**176,072**	**3,337,942**	**2,148,116**	**1,517,511**	**25,404,102**

Credit risk exposure relating to off balance sheet items are as follows

GROUP	Lagos ₦'millions	Southern Nigeria ₦'millions	Northern Nigeria ₦'millions	Rest of Africa ₦'millions	Europe ₦'millions	America ₦'millions	Total ₦'millions
Loan commitments	55,623	6,754	11,390	91,522	2,602	-	167,891
Letters of credit and other credit related obligations	1,101,824	809,073	216,832	368,533	478,934	-	2,975,196
31 December 2024	**1,157,447**	**815,827**	**228,222**	**460,055**	**481,536**	**-**	**3,143,087**

GROUP	Lagos ₦'millions	Southern Nigeria ₦'millions	Northern Nigeria ₦'millions	Rest of Africa ₦'millions	Europe ₦'millions	America ₦'millions	Total ₦'millions
Balances with central bank	2,272,975	-	-	262,000	37,388	-	2,572,363
Loans and advances to banks	985,898	-	-	330,559	637,278	99,495	2,053,230
Loans and advances to customers - Retail portfolio	84,546	90,798	56,532	27,137	131,613	-	390,626
Loans and advances to customers - Corporate portfolio	4,596,440	571,795	149,394	619,136	31,894	9	5,968,668
Financial assets at FVTPL	629,722	-	-	4,160	35,252	-	669,134
Investment securities							
- FVOCI Investments	1,304,433	10,558	15,170	-	-	-	1,330,161
- Amortised cost investments	220,946	-	-	642,454	604,059	-	1,467,459
Asset pledged as collateral	1,493,204	-	-	25,890	-	-	1,519,094
Other assets	240,950	7,848	2,037	217,158	4,892	-	472,885
31 December 2023	11,829,114	680,999	223,133	2,128,494	1,482,376	99,504	16,443,620

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for the year ended 31 December 2024

Credit risk exposure relating to off balance sheet items are as follows

GROUP	Lagos ₦'millions	Southern Nigeria ₦'millions	Northern Nigeria ₦'millions	Rest of Africa ₦'millions	Europe ₦'millions	America ₦'millions	Total ₦'millions
Loan commitments	92,803	5,292	21,134	50,830	9,218	-	179,277
Letters of credit and other credit related obligations	820,613	462,359	119,552	433,229	302,170	-	2,137,923
31 December 2023	913,416	467,651	140,686	484,059	311,388	-	2,317,200

COMPANY	Lagos ₦'millions	Southern Nigeria ₦'millions	Northern Nigeria ₦'millions	Rest of Africa ₦'millions	Europe ₦'millions	America ₦'millions	Total ₦'millions
Loans and advances to banks	**23,269**	-	-	-	-	-	**23,269**
Loans and advances to customers							
- Term loans	**178**	-	-	-	-	-	**178**
Investment securities							
- FVOCI Investments	**14,504**	-	-	-	-	-	**14,504**
Other assets	**22,521**	-	-	-	-	-	**22,521**
31 December 2024	**60,473**	-	-	-	-	-	**60,473**

COMPANY	Lagos ₦'millions	Southern Nigeria ₦'millions	Northern Nigeria ₦'millions	Rest of Africa ₦'millions	Europe ₦'millions	America ₦'millions	Total ₦'millions
Loans and advances to banks	16,523	-	-	-	-	-	16,523
Loans and advances to customers							
- Term loans	269	-	-	-	-	-	269
Investment securities							
- FVOCI Investments	6,959	-	-	-	-	-	6,959
Other assets	17,144	-	-	-	-	-	17,144
31 December 2023	40,895	-	-	-	-	-	40,896

b) Industry sectors

The following table breaks down the Group's credit exposure at carrying amounts (without taking into account any collateral held or other credit support), as categorised by the industry sectors of the Group's counterparties. Investment securities and financial assets at fair value through profit or loss analysed below excludes investments in equity instruments.

GROUP	Balances with Central Bank ₦'millions	Loans and advances to banks ₦'millions	Financial assets at fair value through profit or loss ₦'millions	Investment Securities -FVOCI ₦'millions	Investment Securities - Amortised cost ₦'millions	Asset pledged as collateral ₦'millions	Other assets ₦'millions
Agriculture	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Oil and gas	**-**	**-**	**-**	**6,889**	**1,579**	**-**	**74,249**
Consumer credit	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Manufacturing	**-**	**-**	**449**	**84**	**306**	**-**	**-**
Real estate	**-**	**-**	**8,464**	**-**	**-**	**-**	**-**
Construction	**-**	**-**	**-**	**-**	**3,753**	**-**	**-**
Finance and insurance	**281,166**	**3,302,480**	**3,337**	**444,777**	**1,827,667**	**-**	**907,849**
Transportation	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Communication	**-**	**-**	**1**	**-**	**-**	**-**	**-**
General commerce	**-**	**-**	**9,580**	**-**	**-**	**-**	**-**
Utilities	**-**	**-**	**6,166**	**-**	**-**	**-**	**-**
Retail services	**-**	**-**	**77,450**	**-**	**-**	**-**	**-**
Public sector	**4,415,186**	**-**	**225,383**	**4,019,937**	**231,403**	**1,069,225**	**-**
Total at 31 December 2024	**4,696,352**	**3,302,480**	**330,830**	**4,471,687**	**2,064,708**	**1,069,225**	**982,098**

Notes to the Financial Statements

for the year ended 31 December 2024

	Loans and advances to customers - Retail Portfolio				
	Overdraft ₦'millions	Term loans ₦'millions	Credit Cards ₦'millions	Mortgage ₦'millions	Total ₦'millions
Agriculture	924	2,641	2	72	3,639
Oil and gas	469	4,256	101	-	4,826
Consumer credit	24,268	126,133	2,042	288	152,731
Manufacturing	4,553	9,230	1,180	141	15,104
Real estate	173	761	43	263,695	264,672
Construction	286	1,099	96	-	1,481
Finance and insurance	1,059	339	-	-	1,398
Transportation	4	27	-	-	31
Communication	659	2,104	160	-	2,923
General commerce	3,960	10,258	367	6	14,591
Utilities	245	153	-	-	398
Retail services	4,582	34,427	311	1,174	40,494
Education	-	-	-	635	635
Public sector	-	23	-	-	23
Total at 31 December 2024	41,182	191,451	4,302	266,011	502,946

	Loans and advances to customers - Corporate Portfolio			
	Overdraft ₦'millions	Term loans ₦'millions	Project finance ₦'millions	Total ₦'millions
Agriculture	47,760	249,253	7,554	304,567
Oil and gas	103,763	3,230,122	3,201	3,337,086
Consumer credit	16,070	51,693	1,400	69,163
Manufacturing	136,658	1,066,931	43,128	1,246,717
Real estate	3,024	8,167	911	12,102
Construction	23,159	120,004	153,728	296,891
Finance and insurance	4,399	18,216	-	22,615
Transportation	4,952	96,231	-	101,183
Communication	78,975	459,730	627	539,332
General commerce	89,636	448,779	8,568	546,983
Utilities	14,066	642,247	-	656,313
Retail services	62,733	450,213	7,439	520,385
Mining	131,516	226,541	-	358,057
Education	-	1,945	-	1,945
Public sector	2,526	742,555	1,587	746,668
Total at 31 December 2024	719,237	7,812,627	228,143	8,760,007

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for the year ended 31 December 2024

GROUP	Balances with Central Bank ₦'millions	Loans and advances to banks ₦'millions	Financial assets at fair value through profit or loss ₦'millions	Investment Securities -FVOCI ₦'millions	Investment Securities - Amortised cost ₦'millions	Asset pledged as collateral ₦'millions	Other assets ₦'millions
Agriculture	-	-	-	-	-	-	-
Oil and gas	-	-	-	-	-	-	-
Consumer credit	-	-	-	-	-	-	-
Manufacturing	-	-	-	-	-	-	-
Real estate	-	-	-	-	-	-	-
Construction	-	-	-	-	5,005	-	-
Finance and insurance	-	2,053,230	96	301,438	-	-	467,086
Transportation	-	-	-	-	-	-	-
Communication	-	-	-	-	-	-	-
General commerce	-	-	-	-	-	-	-
Utilities	-	-	-	18,068	-	-	5,304
Retail services	-	-	-	-	-	-	-
Public sector	2,572,363	-	669,038	1,010,655	1,462,454	1,519,094	495
Total at 31 December 2023	2,572,363	2,053,230	669,134	1,330,161	1,467,459	1,519,094	472,885

	Loans and advances to customers - Retail Portfolio				
	Overdraft ₦'millions	Term loans ₦'millions	Credit Cards ₦'millions	Mortgage ₦'millions	Total ₦'millions
Agriculture	576	496	3	-	1,075
Oil and gas	1,246	1,283	3	-	2,532
Consumer credit	35,971	181,531	2,967	768	221,237
Manufacturing	180	472	1	-	653
Real estate	41	324	7	132,575	132,947
Construction	65	1,073	1	-	1,139
Finance and insurance	580	-	8	-	588
Transportation	16	68	-	-	84
Communication	393	459	1	-	853
General commerce	3,813	858	2	15	4,688
Utilities	31	258	-	-	289
Retail services	2,314	25,942	80	405	28,741
Public sector	2	173	-	-	175
Total at 31 December 2023	45,228	212,937	3,073	133,763	395,001

	Loans and advances to customers - Corporate Portfolio			
	Overdraft ₦'millions	Term loans ₦'millions	Project finance ₦'millions	Total ₦'millions
Agriculture	16,867	162,952	-	179,819
Oil and gas	518,463	1,659,092	5,871	2,183,426
Consumer credit	6,021	39,217	-	45,238
Manufacturing	40,734	1,014,224	237,529	1,292,487
Real estate	228	93,401	11,666	105,295
Construction	9,064	68,537	79,332	156,933
Finance and insurance	3,803	4,758	-	8,561
Transportation	2,940	32,535	324	35,799
Communication	68,687	272,225	51,205	392,117
General commerce	36,600	366,146	626	403,372
Utilities	38,784	504,959	7,031	550,774
Retail services	67,726	247,128	68,087	382,941
Public sector	7,795	487,822	6,453	502,070
Total at 31 December 2023	817,712	4,952,996	468,124	6,238,832

b) Industry sectors

COMPANY	Loans and advances to banks ₦'millions	Financial assets at fair value through profit or loss ₦'millions	Investment Securities -FVOCI ₦'millions	Investment Securities - Amortised cost ₦'millions	Other assets ₦'millions	Loans to customers Retail portfolio ₦'millions
Finance and insurance	**23,269**	**-**	**-**	**-**	**22,521**	**-**
Retail services	**-**	**-**	**-**	**-**	**-**	**178**
Public sector	**-**	**-**	**14,504**	**-**	**-**	**-**
Total at 31 December 2024	**23,269**	**-**	**14,504**	**-**	**22,521**	**178**

COMPANY	Loans and advances to banks ₦'millions	Financial assets at fair value through profit or loss ₦'millions	Investment Securities -FVOCI ₦'millions	Investment Securities - Amortised cost ₦'millions	Other assets ₦'millions	Loans to customers Retail portfolio ₦'millions
Finance and insurance	16,523	-	-	-	17,144	-
Retail services	-	-	-	-	-	269
Public sector	-	-	6,959	-	-	-
Total at 31 December 2023	16,523	-	6,959	-	17,144	269

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Credit risk exposure relating to off balance sheet items are as follows

GROUP	31 December 2024		31 December 2023	
	Loan commitments ₦'millions	Letter of credit and other related obligations ₦'millions	Loan commitments ₦'millions	Letter of credit and other related obligations ₦'millions
Agriculture	1,501	4,828	4,494	20,810
Oil and gas	83,142	488,717	70,722	249,001
Consumer credit	16,150	13,045	1,648	19,518
Manufacturing	24,155	1,336,202	29,515	893,233
Real estate	2,670	-	9,171	586
Construction	2,199	355,975	2,089	181,937
Finance and insurance	10,052	271,800	8,153	459,272
Transportation	100	8,645	2,265	9,631
Communication	10,349	156,950	6,830	63,376
General commerce	13,778	238,531	8,805	157,034
Utilities	544	49,074	31,445	53,022
Retail services	1,810	39,830	3,298	17,910
Public sector	1,441	11,599	842	12,593
TOTAL	167,891	2,975,196	179,277	2,137,923

3.2.18 Loans and advances to customers

Credit quality of Loans and advances to customers is summarised as follows:

GROUP December 2024	Loans and advances to customers				
	Overdraft ₦'millions	Term loans ₦'millions	Credit Cards ₦'millions	Mortgage ₦'millions	Total ₦'millions
Retail					
Stage 1 loans	38,415	180,488	4,001	253,904	476,808
Stage 2 loans	755	2,814	51	3,892	7,512
Stage 3 loans	2,012	8,149	250	8,215	18,626
Gross	41,182	191,451	4,302	266,011	502,946
Less: allowance for impairment (note 22)	(2,466)	(8,396)	(286)	(1,799)	(12,947)
Net	38,716	183,055	4,016	264,212	489,999
Lifetime ECL (see note 22)	1,602	4,591	124	965	7,282
12-months' ECL (see note 22)	864	3,805	162	834	5,665
Total	2,466	8,396	286	1,799	12,947

GROUP December 2024	Loans and advances to customers Overdraft ₦'millions	Term loans ₦'millions	Project finance ₦'millions	Total ₦'millions
Corporate				
Stage 1 loans	577,560	4,482,071	219,273	5,278,904
Stage 2 loans	40,191	2,514,660	1	2,554,852
Stage 3 loans	101,486	815,896	8,869	926,251
Gross	719,237	7,812,627	228,143	8,760,007
Less: allowance for impairment (note 22)	(58,225)	(418,005)	(5,888)	(482,118)
Net	661,012	7,394,622	222,255	8,277,889
Lifetime ECL (see note 22)	57,244	400,518	4,909	462,671
12-months' ECL (see note 22)	981	17,487	979	19,447
Total	58,225	418,005	5,888	482,118

GROUP December 2023	Loans and advances to customers Overdraft ₦'millions	Term loans ₦'millions	Credit Cards ₦'millions	Mortgage ₦'millions	Total ₦'millions
Retail					
Stage 1 loans	43,935	206,472	2,900	131,547	384,854
Stage 2 loans	128	1,265	-	932	2,325
Stage 3 loans	1,165	5,200	173	1,284	7,822
Gross	45,228	212,937	3,073	133,763	395,001
Less: allowance for impairment (note 22)	(1,098)	(2,559)	(46)	(672)	(4,375)
Net	44,130	210,378	3,027	133,091	390,626
Lifetime ECL (see note 22)	869	1,223	34	183	2,309
12-months' ECL (see note 22)	229	1,336	12	489	2,066
Total	1,098	2,559	46	672	4,375

GROUP December 2023	Loans and advances to customers Overdraft ₦'millions	Term loans ₦'millions	Project finance ₦'millions	Total ₦'millions
Corporate				
Stage 1 loans	307,601	3,992,048	323,384	4,623,033
Stage 2 loans	504,240	775,507	21,958	1,301,705
Stage 3 loans	5,871	185,441	122,782	314,094
Gross	817,712	4,952,996	468,124	6,238,832
Less: allowance for impairment (note 22)	(64,046)	(138,030)	(68,088)	(270,164)
Net	753,666	4,814,966	400,036	5,968,668
Lifetime ECL (see note 22)	63,267	125,504	68,006	256,777
12-months' ECL (see note 22)	779	12,526	82	13,387
Total	64,046	138,030	68,088	270,164

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COMPANY December 2024	Term loans ₦'millions	Total ₦'millions
Stage 1 loans	178	178
Gross	178	178
Less: allowance for impairment	-	-
Net	178	178

COMPANY December 2023	Term loans ₦'millions	Total ₦'millions
Stage 1 loans	269	269
Gross	269	269
Less: allowance for impairment	-	-
Net	269	269

Retail

(a) Loans and advances to customers - Stage 1

The credit quality of the portfolio of loans and advances to customers that are categorised in Stage 1 can be assessed by reference to the internal rating system adopted by the Group (See section 3.2.11 for an explanation of the internal rating system).

GROUP December 2024	Overdraft ₦'millions	Term loans ₦'millions	Credit Cards ₦'millions	Mortgage ₦'millions	Total ₦'millions
Grades:					
A	354	334	-	-	688
Aa3	-	9,275	-	-	9,275
B	419	18,145	-	253,403	271,967
Ba	850	3,071	-	-	3,921
Baa	247	6,428	-	-	6,675
B2	13	103	-	-	116
B3	46	-	-	-	46
Ba2	34,405	117,970	3,863	501	156,739
Ba3	16	213	138	-	367
Caa	2,065	24,949	-	-	27,014
	38,415	180,488	4,001	253,904	476,808

(b) Loans and advances - Stage 2

GROUP December 2024	Overdraft ₦'millions	Term loans ₦'millions	Credit Cards ₦'millions	Mortgage ₦'millions	Total ₦'millions
Ba2	607	81	51	-	739
Ba3	1	5	-	2,849	2,855
Past due up to 30 days	116	1,945	-	112	2,173
Past due by 30 - 60 days	20	478	-	931	1,429
Past due 60-90 days	6	282	-	-	288
Above 90 days	5	23	-	-	28
Gross amount	755	2,814	51	3,892	7,512

(c) **Loans and advances - Stage 3**

GROUP December 2024	Overdraft ₦'millions	Term loans ₦'millions	Credit Cards ₦'millions	Mortgage ₦'millions	Total ₦'millions
Gross amount	2,012	8,149	250	8,215	18,626
Life time ECL- credit impaired	(1,543)	(4,481)	(123)	(846)	(6,993)
Net amount	469	3,668	127	7,369	11,633

Corporate

(a) **Loans and advances to customers - Stage 1**

The credit quality of the portfolio of loans and advances to customers that are categorised in Stage 1 can be assessed by reference to the internal rating system adopted by the Group (See section 3.2.11 for an explanation of the internal rating system).

GROUP December 2024	Overdraft ₦'millions	Term loans ₦'millions	Project finance ₦'millions	Total ₦'millions
Grades:				
A1	511	82,299	-	82,810
A2	-	1	-	1
A3	-	73,914	24,425	98,339
Aa1	19,786	714,765	-	734,551
Aaa	-	66,623	-	66,623
B1	2,850	303,507	-	306,357
B2	498	168,492	1,556	170,546
B3	567	1,146	-	1,713
Ba1	33,699	364,547	430	398,676
Ba2	234,632	725,771	192,862	1,153,265
Ba3	5,442	70,597	-	76,039
Baa1	16,149	88,150	-	104,299
Baa2	-	199,500	-	199,500
Baa3	22,494	370,934	-	393,428
A	10,303	8,052	-	18,355
Baa	35,398	117,403	-	152,801
Ba	16,486	92,812	-	109,298
B	178,745	1,033,558	-	1,212,303
	577,560	4,482,071	219,273	5,278,904

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(b) Loans and advances - Stage 2

GROUP December 2024	Overdraft ₦'millions	Term loans ₦'millions	Project finance ₦'millions	Total ₦'millions
A1	-	74,372	-	74,372
B1	5,718	994	-	6,712
B2	-	1,636	-	1,636
B3	2,984	223,301	1	226,286
Ba1	2,400	77,097	-	79,497
Ba2	11,491	351,919	-	363,410
Ba3	59	11,973	-	12,032
Baa1	-	26,845	-	26,845
Caa1	-	1,461,463	-	1,461,463
Past due up to 30 days	17,376	282,665	-	300,041
Past due by 31 - 90 days	163	2,395	-	2,558
Gross amount	40,191	2,514,660	1	2,554,852

(c) Loans and advances - Stage 3

GROUP December 2024	Overdraft ₦'millions	Term loans ₦'millions	Project finance ₦'millions	Total ₦'millions
Gross amount	101,486	815,896	8,869	926,251
Life time ECL- credit impaired	(57,203)	(332,398)	(4,909)	(394,510)
Net amount	44,283	483,498	3,960	531,741

Retail

(a) Loans and advances to customers - Stage 1

The credit quality of the portfolio of loans and advances to customers that are categorised in Stage 1 can be assessed by reference to the internal rating system adopted by the Group (See section 3.2.11 for an explanation of the internal rating system).

GROUP December 2023	Overdraft ₦'millions	Term loans ₦'millions	Credit Cards ₦'millions	Mortgage ₦'millions	Total ₦'millions
Grades:					
Aa3	-	9,003	-	-	9,003
B2	506	377	-	-	883
Ba2	41,969	158,882	2,650	1,451	204,952
Ba3	1,460	38,210	250	130,096	170,016
	43,935	206,472	2,900	131,547	384,854

(b) Loans and advances - Stage 2

GROUP December 2023	Overdraft ₦'millions	Term loans ₦'millions	Credit Cards ₦'millions	Mortgage ₦'millions	Total ₦'millions
Past due up to 30 days	2	570	-	-	572
Past due by 30 - 60 days	124	380	-	932	1,436
Past due 60-90 days	2	315	-	-	317
Above 90 days	-	-	-	-	-
Gross amount	128	1,265	-	932	2,325

(c) Loans and advances - Stage 3

GROUP December 2023	Overdraft ₦'millions	Term loans ₦'millions	Credit Cards ₦'millions	Mortgage ₦'millions	Total ₦'millions
Gross amount	1,165	5,200	173	1,284	7,822
Life time ECL- credit impaired	(812)	(1,128)	(34)	(145)	(2,119)
Net amount	353	4,072	139	1,139	5,703

Corporate

(a) Loans and advances to customers - Stage 1

The credit quality of the portfolio of loans and advances to customers that are categorised in Stage 1 can be assessed by reference to the internal rating system adopted by the Group (See section 3.2.2 for an explanation of the internal rating system).

GROUP December 2023	Overdraft ₦'millions	Term loans ₦'millions	Project finance ₦'millions	Total ₦'millions
Grades:				
A1	167	98,703	-	98,870
A2	455	15,572	38,501	54,528
A3	3,554	78,579	1,563	83,696
Aa1	14,127	282,307	230,233	526,667
Aa2	-	3,768	-	3,768
Aaa	-	3,665	-	3,665
B2	100,346	889,292	12,637	1,002,275
B3	42	2,316	160	2,518
Ba1	638	58,758	628	60,024
Ba2	141,077	1,627,479	24,929	1,793,485
Ba3	27,560	129,462	-	157,022
Baa1	4,047	61,085	-	65,132
Baa2	-	44,936	-	44,936
Baa3	15,588	696,126	14,733	726,447
	307,601	3,992,048	323,384	4,623,033

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(b) Loans and advances - Stage 2

GROUP December 2023	Overdraft ₦'millions	Term loans ₦'millions	Project finance ₦'millions	Total ₦'millions
B3	282,169	415,128	15,505	712,802
Caa2	7	34,240	-	34,247
Caa3	265	122,687	-	122,952
Past due up to 30 days	148	44,665	-	44,813
Past due by 31 - 90 days	221,651	158,787	6,453	386,891
Gross amount	504,240	775,507	21,958	1,301,705

(c) Loans and advances - Stage 3

GROUP December 2023	Overdraft ₦'millions	Term loans ₦'millions	Project finance ₦'millions	Total ₦'millions
Gross amount	5,871	185,441	122,782	314,094
Life time ECL- credit impaired	(3,276)	(53,850)	(68,006)	(125,132)
Net amount	2,595	131,591	54,776	188,962

3.2.19 Collaterized Assets

The financial effect of collateral is presented by disclosing collateral values separately for (i) those assets where collateral and other credit enhancements are equal to or exceed carrying value of the asset ("over-collateralised assets") and (ii) those assets where collateral and other credit enhancements are less than the carrying value of the asset. The effect of collateral at 31 December 2024 and 31 December 2023 are as shown below

GROUP December 2024	Collaterised assets		Under-collaterised assets	
	Carrying value of the assets ₦'millions	Fair value of collateral held ₦'millions	Carrying value of the assets ₦'millions	Fair value of collateral held ₦'millions
Financial assets				
Loans and advances to banks	-	-	**3,262,097**	-
Financial assets at fair value through profit or loss	-	-	**330,830**	-
Total Financial Assets	-	-	**3,592,927**	-

GROUP December 2023	Collaterised assets		Under-collaterised assets	
	Carrying value of the assets ₦'millions	Fair value of collateral held ₦'millions	Carrying value of the assets ₦'millions	Fair value of collateral held ₦'millions
Financial assets				
Loans and advances to banks	311,281	311,281	1,676,064	-
Financial assets at fair value through profit or loss	-	-	664,806	-
Total Financial Assets	311,281	311,281	2,340,870	-

COMPANY December 2024	Collateralised assets		Under-collateralised assets	
	Carrying value of the assets ₦'millions	Fair value of collateral held ₦'millions	Carrying value of the assets ₦'millions	Fair value of collateral held ₦'millions
Financial assets				
Loans and advances to banks	-	-	23,269	-
Financial assets at fair value through profit or loss	-	-	-	-
Total Financial Assets	-	-	23,269	-

COMPANY December 2023	Collateralised assets		Under-collateralised assets	
	Carrying value of the assets ₦'millions	Fair value of collateral held ₦'millions	Carrying value of the assets ₦'millions	Fair value of collateral held ₦'millions
Financial assets				
Loans and advances to banks	-	-	16,523	-
Financial assets at fair value through profit or loss	-	-	504	-
Total Financial Assets	-	-	17,027	-

The underlisted financial assets are not collaterised:

- Cash and balances with Central Banks
- Investment securities:
- Investment securities at fair value through other comprehensive income
- Investment securities at fair value through other comprehensive income
- Asset pledged as collateral
- Other assets

The Group's investment in risk-free government securities and its Cash and balances with Central Banks are not considered to require collaterals given their sovereign nature.

3.3 Liquidity risk

Liquidity risk is the risk that the Group does not have sufficient financial resources to meet its obligation as they fall due or will have to meet the obligations at excessive costs. This risk could arise from mismatches in the timing of cash flows.

Funding risk is a form of liquidity risk that arises when the liquidity needed to fund illiquid asset positions cannot be obtained at the expected terms and when required.

The objective of the Group's liquidity risk management is to ensure that all anticipated funding commitments can be met when due and that access to funding sources is coordinated and cost effective.

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3.3.1 Management of liquidity risk

The Group's liquidity management process includes:

- Maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- Day-to-day funding, managed by monitoring future cash flows to ensure that requirements can be met. This includes replenishment of funds as they mature or are borrowed by customers.
- Active monitoring of the timing of cashflows and maturity profiles of assets and liabilities to ensure mismatches are within stipulated limits;
- Monitoring the liquidity ratios against internal and regulatory requirements; and
- Managing the concentration and profile of debt maturities.

Monitoring and reporting take the form of cash flow measurement and projections for the next day, week and month respectively, as these are key periods for liquidity management. The starting point for those projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets.

Particular attention is also paid to the level and type of undrawn lending commitments, the usage of overdraft facilities and the impact of contingent liabilities such as standby letters of credit and guarantees.

Liquidity risk on derivatives is managed using the same source of funding as for the non-derivative liabilities.

3.3.2 Funding approach

The Group is funded primarily by a well diversified mix of retail, corporate and public sector deposits. This funding base ensures stability and low funding cost with minimal reliance on more expensive tenured deposit and interbank takings as significant sources of funding.

3.3.3 Non-derivative financial liabilities and assets held for managing liquidity risk

The table below presents the cash flows payable by the Group under non-derivative financial liabilities and assets held for managing liquidity risk by remaining contractual maturities at the date of the consolidated statement of financial position. The amounts disclosed in table A below are the contractual undiscounted cash flow, whereas the Group manages the liquidity risk on a behavioural basis which is shown in table B below. See note 32b for maturity analysis of leases.

GROUP

(a) TABLE A - LIQUIDITY ANALYSIS ON A CONTRACTUAL BASIS

31 December 2024	Carrying Amount ₦'millions	0 - 30 days ₦'millions	31 - 90 days ₦'millions	91 - 180 days ₦'millions	181 - 365 days ₦'millions	Over 1 year but less than 5 yrs ₦'millions	Over 5 years ₦'millions	Total ₦'millions
Financial liabilities								
Deposits from banks	2,922,432	1,922,017	444,012	52,331	504,072	-	-	2,922,432
Deposits from customers	17,170,690	11,698,593	2,127,850	1,200,037	1,561,808	582,402	-	17,170,690
Borrowings	1,559,353	816	284,610	78,781	700,973	334,829	159,343	1,559,352
Debt Securities	198,188	-	103,616	94,572	-	-	-	198,188
Other liabilities	1,216,073	641,985	292,157	1,243	280,655	33	-	1,216,073
Total financial liabilities	23,066,736	14,263,411	3,252,245	1,426,964	3,047,508	917,264	159,343	23,066,735
Loan commitments	167,891	57,506	21,655	41,275	20,355	8,194	98,417	247,402
Letters of credit and other credit related obligations	2,975,196	1,254,821	283,387	154,432	909,338	53,276	319,942	2,975,196
Total commitments	3,143,087	1,312,327	305,042	195,707	929,693	61,470	418,359	3,222,598
Assets held for managing liquidity risk	17,328,092	3,693,392	2,929,018	1,920,127	1,870,675	3,299,225	7,946,523	21,658,960
31 December 2023								
Financial liabilities								
Deposits from banks	1,803,182	847,935	605,505	293,967	55,775	-	-	1,803,182
Deposits from customers	10,663,346	7,730,419	1,072,366	389,765	876,808	589,463	4,525	10,663,346
Borrowings	1,250,827	284,738	137,406	57,142	372,035	551,788	92,229	1,495,338
Debt Securities	50,862	10,402	399	8,976	33,833	-	-	53,610
Other liabilities	1,257,639	912,999	152,821	95,904	88,091	6,854	970	1,257,639
Total financial liabilities	15,025,856	9,786,493	1,968,497	845,754	1,426,542	1,148,105	97,724	15,273,115
Loan commitments	179,277	43,692	38,217	29,734	52,342	8,986	6,306	179,277
Letters of credit and other credit related obligations	2,137,923	141,139	382,534	816,896	190,962	602,914	3,478	2,137,923
Total commitments	2,317,200	184,831	420,751	846,630	243,304	611,900	9,784	2,317,200
Assets held for managing liquidity risk	15,605,604	4,877,483	3,942,597	1,269,415	1,717,260	4,316,765	3,437,215	19,560,735

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COMPANY

31 December 2024	Carrying Amount ₦'millions	0 - 30 days ₦'millions	31 - 90 days ₦'millions	91 - 180 days ₦'millions	181 - 365 days ₦'millions	Over 1 year but less than 5 yrs ₦'millions	Over 5 years ₦'millions	Total ₦'millions
Financial liabilities								
Other liabilities	29,077	20,691	8,386	-	-	-	-	29,077
Total financial liabilities	29,077	20,691	8,386	-	-	-	-	29,077
Assets held for managing liquidity risk	37,773	10,053	17,814	895	5,752	5,026	9,206	48,746
31 December 2023								
Financial liabilities								
Other liabilities	19,041	16,833	2,208	-	-	-	-	19,041
Total financial liabilities	19,041	16,833	2,208	-	-	-	-	19,041
Assets held for managing liquidity risk	23,482	5,040	4,962	7,291	4,426	2,124	6,010	29,853

(b) Table B below presents the undiscounted cashflows payable by the Group based on their behavioral patterns. In managing its liquidity risk, the Group profiles its cashflows statistically using historical observations, to ensure that projections are in tune with demonstrated behavioral trends. The Group adopts a Behavioral run-off model in estimating Core and Volatile components of its non-maturing liabilities, complemented by qualitative factors e.g. changes in collection sweep cycles, effect of new fiscal or monetary policies etc. The objective is to determine the proportion of the non-contractual balances to be spread across the Group's maturity bands.

TABLE B - LIQUIDITY ANALYSIS ON A BEHAVIOURAL BASIS
GROUP

31 December 2024	Carrying Amount ₦'millions	0 - 30 days ₦'millions	31 - 90 days ₦'millions	91 - 180 days ₦'millions	181 - 365 days ₦'millions	Over 1 year but less than 5 yrs ₦'millions	Over 5 years ₦'millions	Total ₦'millions
Financial liabilities								
Deposits from banks	2,922,432	819,099	1,203,541	313,569	586,223	-	-	2,922,432
Deposits from customers	17,179,142	2,386,321	2,316,344	1,437,691	1,994,374	9,044,412	-	17,179,142
Borrowings	1,559,352	19,449	131,133	372	918,292	490,107	-	1,559,353
Debt Securities	198,188	-	103,616	94,572	-	-	-	198,188
Other liabilities	1,220,460	646,372	292,157	1,243	280,655	-	-	1,220,427
Investment contracts								-
Total financial liabilities	23,079,574	3,871,241	4,046,791	1,847,447	3,779,544	9,534,519	-	23,079,542
Loan commitments	167,891	57,506	21,655	41,275	20,355	8,194	98,417	247,402
Letters of credit and other credit related obligations	2,975,196	1,254,821	283,387	154,432	909,338	53,276	319,942	2,975,196
Total commitments	3,143,087	1,232,816	305,042	195,707	929,693	61,470	418,359	3,143,087
Assets held for managing liquidity risk	17,328,092	3,693,392	2,929,018	1,920,127	1,870,675	3,299,225	7,946,523	21,658,960

31 December 2023	Carrying Amount ₦'millions	0 - 30 days ₦'millions	31 - 90 days ₦'millions	91 - 180 days ₦'millions	181 - 365 days ₦'millions	Over 1 year but less than 5 yrs ₦'millions	Over 5 years ₦'millions	Total ₦'millions
Financial liabilities								
Deposits from banks	1,753,150	749,492	668,439	279,443	55,775	-	-	1,753,150
Deposits from customers	10,473,259	1,485,712	1,221,413	553,233	1,195,302	6,013,074	4,525	10,473,259
Borrowings	1,031,533	191,052	136,906	57,142	271,113	526,897	82,729	1,265,839
Debt Securities	50,862	10,402	399	8,976	33,833	-	-	53,610
Other liabilities	1,185,881	841,242	152,821	95,904	88,091	6,854	970	1,185,882
Investment contracts								-
Total financial liabilities	14,494,685	3,277,900	2,179,978	994,698	1,644,114	6,546,825	88,224	14,731,740
Loan commitments	179,277	43,692	38,217	29,734	52,342	8,986	6,306	179,277
Letters of credit and other credit related obligations	2,137,923	141,139	382,534	816,896	190,962	602,914	3,478	2,137,923
Total commitments	2,317,200	184,831	420,751	846,630	243,304	611,900	9,784	2,317,200
Assets held for managing liquidity risk	15,605,604	4,877,483	3,942,597	1,269,415	1,717,260	4,316,765	3,437,215	19,560,735

3.3.4 Assets held for managing liquidity risk

The Group holds a diversified portfolio of liquid assets - largely cash and government securities to support payment and funding obligations in normal and stressed market conditions across foreign and local currencies. The Group's liquid assets comprise

- Cash and balances with the central bank comprising reverse repos and Overnight deposits
- Short term and overnight placements in the interbank market
- Government bonds and T-bills that are readily accepted in repurchase agreements with the Central bank and other market participants
- Secondary sources of liquidity in the form of highly liquid instruments in the Group's trading portfolios.
- The ability to access incremental short term funding by interbank borrowing from the interbank market

First Bank of Nigeria Limited, the commercial banking segment of the group, is most exposed to liquidity risk. The bank is largely deposit funded and thus, as is typical amongst Nigerian banks, has significant funding mismatches on a contractual basis, given that the deposits are largely demand and short tenured, whilst lending is longer term. On an actuarial basis, the bank's demand deposits exhibit much longer duration, with 80.83% of the bank's current account balances and 88.57% of savings account balances being deemed core.

To manage liquidity shocks in either foreign or local currency, largely as a result of episodic movements, the bank typically holds significant short term liquidity in currency placements or taps the repo markets to raise short term funding as is required. To grow local currency liquidity, the bank has also systematically worked towards reducing the duration of our securities portfolio in the last year, shifting the emphasis to holding more liquid shorter dated treasury bills over longer term bonds, to allow more flexibility in managing liquidity. Whilst on the foreign currency side, the bank has built up placement balances with our offshore correspondents.

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3.3.5 Derivative liabilities

(a) Derivatives settled on a net basis

The out options and the foreign exchange (FX) contract will be settled on a net basis.

The table below analyses the Group's derivative financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the date of the consolidated statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

GROUP	Up to 1 month ₦'millions	1-3 months ₦'millions	3-6 months ₦'millions	6 - 12 months ₦'millions	1-5 years ₦'millions	Over 5 years ₦'millions	Total ₦'millions
At 31 December 2024							
Derivative liabilities							
FX Futures	-	341,517	164,943	68,151	-	-	574,611
FX Swap	-	-	-	-	-	-	-
Forward Contract	-	-	-	-	-	-	-
Put Option	-	-	1,382	1,863	-	-	3,245
	-	341,517	166,325	70,014	-	-	577,856
Derivative assets							
FX Futures	-	331,167	139,410	55,784	-	-	526,361
Put Option	-	-	1,636	2,277	-	-	3,913
FX Swap	-	-	-	-	-	-	-
Forward Contract	-	-	-	-	-	-	-
	-	331,167	141,046	58,061	-	-	530,274
	-	(10,350)	(25,279)	(11,953)	-	-	(47,582)

GROUP	Up to 1 month ₦'millions	1-3 months ₦'millions	3-6 months ₦'millions	6 - 12 months ₦'millions	1-5 years ₦'millions	Over 5 years ₦'millions	Total ₦'millions
At 31 December 2023							
Derivative liabilities							
FX Futures	-	2,238	63,167	-	9,325	-	74,730
FX Swap	1,238	773	-	4	-	-	2,015
Forward Contract	-	-	-	15,856	-	-	15,856
Put Option	-	7	-	-	-	-	7
	1,238	3,018	63,167	15,860	9,325	-	92,608
Derivative assets							
FX Futures	-	746	63,167	-	9,325	-	73,238
Put Option	-	7	-	-	-	-	7
FX Swap	248,434	240,470	-	30,818	-	-	519,722
Forward Contract	-	-	-	29,339	-	-	29,339
	248,434	241,223	63,167	60,157	9,325	-	622,306
	247,196	238,205	-	44,297	-	-	529,698

(b) Derivatives settled on a gross basis.

The Group's derivatives that will be settled on a gross basis are foreign exchange derivatives. The table below analyses the Group's derivative financial instruments that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the date of the consolidated statement of financial position to the contractual maturity date. Contractual maturities are assessed to be essential for an understanding of the timing of the cashflows on all derivatives including derivatives classified as 'liabilities held for trading'. The amounts disclosed in the table are the contractual undiscounted cash flows.

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GROUP	Up to 1 month ₦'millions	1-3 months ₦'millions	3-6 months ₦'millions	6 - 12 months ₦'millions	1-5 years ₦'millions	Over 5 years ₦'millions	Total ₦'millions
At 31 December 2024							
Assets held for trading							
FX Swap - Payable	186,864	756,375	-	-	-	-	943,239
FX Swap - Receivable	309,800	774,500	-	-	-	-	1,084,300
Forward Contract - Payment	-	-	-	-	-	-	-
Forward Contract - Receipt	114	383	814	55,352	-	-	56,663
Put option	-	-	-	-	-	-	-
	496,778	1,531,258	814	55,352	-	-	2,084,202

GROUP	Up to 1 month ₦'millions	1-3 months ₦'millions	3-6 months ₦'millions	6 - 12 months ₦'millions	1-5 years ₦'millions	Over 5 years ₦'millions	Total ₦'millions
At 31 December 2024							
Liabilities held for trading							
FX Swap - Payable	-	-	-	-	-	-	-
FX Swap - Receivable	-	-	-	-	-	-	-
Forward Contract - Payment	-	-	11,001	-	-	-	11,001
Forward Contract - Receipt	252	3,080	1,310	17	-	-	4,659
	252	3,080	12,311	17	-	-	15,660

GROUP	Up to 1 month ₦'millions	1-3 months ₦'millions	3-6 months ₦'millions	6 - 12 months ₦'millions	1-5 years ₦'millions	Over 5 years ₦'millions	Total ₦'millions
At 31 December 2023							
Assets held for trading							
FX Swap - Payable	227,000	254,134	-	269,499	-	-	750,633
FX Swap - Receivable	475,505	495,125	-	303,829	-	-	1,274,459
Forward Contract - Payment	-	-	-	-	-	-	-
Forward Contract - Receipt	-	-	-	-	-	-	-
Put option	-	-	-	-	-	-	
	702,505	749,259	-	573,328	-	-	2,025,092

GROUP	Up to 1 month ₦'millions	1-3 months ₦'millions	3-6 months ₦'millions	6 - 12 months ₦'millions	1-5 years ₦'millions	Over 5 years ₦'millions	Total ₦'millions
At 31 December 2023							
Liabilities held for trading							
FX Swap - Payable	33,756	35,502	-	99	-	-	69,357
FX Swap - Receivable	32,517	34,724	-	95	-	-	67,336
Forward Contract - Payment	-	-	-	-	-	-	-
Forward Contract - Receipt	-	-	-	-	-	-	-
	66,273	70,226	-	194	-	-	136,693

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3.4 Market risk

Market risk is the potential for adverse changes in the value of a trading or an investment portfolio due to changes in market risk variables such as equity and commodity prices, interest rates, and foreign exchange rates.

Market risk arises from positions in currencies, interest rate and securities held in our trading portfolio and from our retail banking business, investment portfolio, and other non-trading activities. The movement in market risk variables may have a negative impact on the balance sheet and or income statement.

Through the financial year, the Group was exposed to market risk in its trading, and non-trading activities mainly as a result of:

- interest rate movements in reaction to monetary policy changes by the Central Banks in each jurisdiction, fiscal policies changes, and market forces;
- foreign exchange fluctuations arising from demand and supply as well as government policies; and
- equity price movements in response to market forces and changing market dynamics, such as market making on the Stock Exchange.

3.4.1 Management of market risk

The Group's market risk management process applies disciplined risk-taking within a framework of well-defined risk appetite that enables the group to boost shareholders value while maintaining competitive advantage through effective utilisation of risk capital. Thus, the Group market risk management policy ensures:

- formal definition of market risk management governance – recognised individual roles and committees, segregation of duties, avoidance of conflicts, etc.;
- management is responsible for the establishment of appropriate procedures and processes in implementing the Board-approved market risk policy and strategy. The procedures are documented in a periodically reviewed market risk procedural manual that spells out the procedures for executing relevant market risk controls.;
- an independent market risk management function;
- a Group-wide market risk management process to which all risk-taking units are subjected;
- alignment of market risk management standards with international best practice. Risk measurements are progressively based on modern techniques such as sensitivity, value-at-risk methodology (VaR), stress testing and scenario analysis;
- a robust market risk management infrastructure reinforced by a strong management information system (MIS) for controlling, monitoring and reporting market risk;
- continual evaluation of risk appetite, communicated through risk limits and overall effectiveness of the market risk management process;
- the Group does not undertake any risk that cannot be managed, or risks that are not fully understood especially in new products and;
- where the Group takes on any risk, full consideration is given to product maturity, financial market sophistication and regulatory pronouncement, guidelines or policies. The risk taken must be adequately compensated by the anticipated reward.

3.4.2 Market risk measurement techniques

The major measurement techniques used to measure and control market risk are outlined below:

(a) Value at risk (VAR)

VaR measures potential loss in fair value of financial instruments due to adverse market movements over a defined time horizon at a specified confidence level.

VaR is calculated for expected movements over a minimum of one business day and to a confidence level of 99% and a 10-day holding period. The confidence level suggests that potential daily losses, in excess of the VaR measure, are likely to be experienced three times per year in every 250 days. Only First Bank of Nigeria (the bank) is subject to the VaR methodology. The Group measures interest rate risk and foreign exchange risk using sensitivity analysis, see note 3.4.6 and 3.4.3 respectively.

The Bank continues to use VaR to estimate the potential losses that could occur on its positions as a result of movements in market factors.

The Bank uses the parametric method as its VaR methodology with an observation period of two years obtained from published data from pre-approved sources. VaR is calculated on the Bank's positions at close of business daily.

The table below shows the trading VaR of the Bank. The major contributors to the trading VaR are Treasury Bills and Foreign Exchange due to volatility in those instruments impacting positions held by the Bank during the period.

The assets included in the VAR analysis are the held for trading assets.

The Fixed Income portfolio (Interest Rate Risk) trading VaR is ₦1.03 billion as at 31 December 2024 (31 December 2023: ₦1.39 billion) and reflects the potential loss given assumptions of a 1-day holding period, volatility computed using 500-day return data, and a 99% statistical confidence level.

The foreign exchange trading VaR was ₦454.81 million as at 31 December 2024 (31 December 2023: ₦41.99 million), reflecting the regulatory Trading Open Position of 0.5% of Shareholder's Fund stipulated by the CBN.

VAR summary

	12 months to 31 December 2024		
	Average	High	Low
Foreign exchange risk	420	1,740	2
Interest rate risk	481	1,951	11
Total VAR	901	3,691	13

VAR summary

	12 months to 31 December 2023		
	Average	High	Low
Foreign exchange risk	14	384	-
Interest rate risk	815	5,552	2
Total VAR	829	5,936	2

(b) Stress tests

Based on the reality of unpredictable market environment and the frequency of regulations that have had significant effect on market rates and prices, the Group augments other risk measures with stress testing to evaluate the potential impact of possible extreme movements in financial variables on portfolio values.

Stress testing is an integral part of the market risk management framework and considers both historical market events and forward-looking scenarios. A consistent stress-testing methodology is applied to trading and non-trading books. Stress scenarios are regularly updated to reflect changes in risk profile and economic events.

The Asset and Liability Committee (ALCO) of each subsidiary is responsible for reviewing stress exposures and where necessary, enforcing reductions in overall market risk exposure. 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. Regular stress-test scenarios are applied

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to interest rates, exchange rates and equity prices. This covers all asset classes in the financial markets banking and trading books. Ad hoc scenarios are also prepared reflecting specific market conditions and for particular concentrations of risk that arise within the businesses.

Non-trading portfolio

The principal objective of market risk management of non-trading portfolios is to optimise net interest income. Due to the size of the Group's holdings in rate-sensitive assets and liabilities the Group is exposed to interest rate risk.

Non-trading interest rate risk results mainly from differences in the mismatches or re-pricing dates of assets and liabilities, both on- and off-balance sheet as interest rate changes.

The Group uses a variety of tools to measure non-tradable interest rate risk such as:

- interest rate gap analysis (which allows the Group to maintain a positive or negative gap depending on the perceived interest rate direction). 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;
- forecasting and simulating interest rate margins;
- market value sensitivity;
- calculating earnings at risk (EaR) using various interest rate forecasts; and
- re-pricing risk in various portfolios and yield curve analysis.

See note 3.4.5 for interest rate sensitivity disclosures.

Hedged non-trading market risk exposures

The Group's books have some key market risk exposures, which have been identified and are being managed using swaps and options.

3.4.3 Foreign exchange risk

The Group is exposed to foreign exchange risks due to fluctuations in foreign currency exchange rates on its financial position and cash flows. The Board sets limits on the level of exposure by currency and in aggregate for both overnight and intra-day positions, which are monitored daily. The table below summarises the Group's exposure to foreign currency exchange rate risk at 31 December 2024 and 31 December 2023. Included in the table are the Group's financial instruments at carrying amounts, categorised by currency.

GROUP 31 December 2024	Naira ₦'millions	USD ₦'millions	GBP ₦'millions	Euro ₦'millions	Others ₦'millions	Total ₦'millions
Financial assets						
Cash and balances with Central Banks	3,629,788	293,483	7,923	13,199	470,793	4,415,186
Loans and advances to banks	196,644	1,989,306	434,903	503,290	178,337	3,302,480
Loans and advances to customers - Retail portfolio	163,862	11,250	16,511	263,693	34,683	489,999
Loans and advances to customers - Corporate portfolio	3,051,650	4,075,488	572,562	1,316	576,873	8,277,889
Investment securities						
- FVOCI Investments	2,676,081	1,795,606	-	-	-	4,471,687
- Amortised cost investments	51,857	949,852	48,379	-	1,014,620	2,064,708
Asset pledged as collateral	752,529	281,974	-	-	34,722	1,069,225
Financial assets at fair value through profit or loss	281,553	106,815	52,385	-	2,814	443,567
Other assets	902,673	79,425	-	-	-	982,098
	11,706,637	9,583,199	1,132,663	781,498	2,312,842	25,516,839
Financial liabilities						
Customer deposits	7,242,011	6,924,002	1,278,239	195,383	1,531,055	17,170,690
Deposits from banks	278,833	2,465,809	20,405	67,451	89,934	2,922,432
Financial liabilities at FVTPL	45,598	-	4,658	-	-	50,256
Borrowings	46,606	1,362,067	1,787	871	148,022	1,559,353
Other liabilities	666,396	457,797	26,608	53,177	12,095	1,216,073
	8,279,444	11,209,675	1,331,697	316,882	1,781,106	22,918,804

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GROUP 31 December 2023	Naira ₦'millions	USD ₦'millions	GBP ₦'millions	Euro ₦'millions	Others ₦'millions	Total ₦'millions
Financial assets						
Cash and balances with Central Banks	2,257,371	105,259	3,939	10,216	195,578	2,572,363
Loans and advances to banks	733,023	924,633	315,471	58,892	21,211	2,053,230
Loans and advances to customers - Retail portfolio	216,595	22,448	131,614	9,074	10,895	390,626
Loans and advances to customers - Corporate portfolio	1,928,970	3,669,483	31,963	35,784	302,468	5,968,668
Investment securities						-
- FVOCI Investments	1,112,289	217,872	-	-	-	1,330,161
- Amortised cost investments	48,539	758,843	-	-	660,077	1,467,459
Asset pledged as collateral	1,493,204	-	-	-	25,890	1,519,094
Financial assets at fair value through profit or loss	707,821	1,552	35,252	-	4,160	748,785
Other assets	103,236	150,181	2,079	166	217,223	472,885
	8,601,048	5,850,271	520,318	114,132	1,437,502	16,523,271
Financial liabilities						
Customer deposits	5,693,588	3,349,893	1,213,761	121,353	284,751	10,663,346
Deposits from banks	484,847	1,278,386	11,443	24,288	4,218	1,803,182
Financial liabilities at FVTPL	127,614	-	15,856	-	-	143,470
Borrowings	93,271	1,157,556	-	-	-	1,250,827
Other liabilities	562,721	641,807	13,537	28,857	10,717	1,257,639
	6,962,041	6,427,642	1,254,597	174,498	299,686	15,118,464

COMPANY 31 December 2024	Naira ₦'millions	USD ₦'millions	GBP ₦'millions	Euro ₦'millions	Others ₦'millions	Total ₦'millions
Financial assets						
Loans and advances to banks	23,269	-	-	-	-	23,269
Loans and advances to customers: Retail portfolio						
- Term loans	178	-	-	-	-	178
Investment securities						
- FVOCI Investments	14,504	-	-	-	-	14,504
Financial assets at fair value through profit or loss	-	-	-	-	-	-
Other assets	22,521	-	-	-	-	22,521
	60,472	-	-	-	-	60,472
Financial liabilities						
Other liabilities	29,077					29,077
	29,077	-	-	-	-	29,077

COMPANY 31 December 2023	Naira ₦'millions	USD ₦'millions	GBP ₦'millions	Euro ₦'millions	Others ₦'millions	Total ₦'millions
Financial assets						
Loans and advances to banks	14,937	1,586	-	-	-	16,523
Loans and advances to customers: Retail portfolio						
- Term loans	269	-	-	-	-	269
Investment securities						
- FVOCI Investments	6,959	-	-	-	-	6,959
Financial assets at fair value through profit or loss	504	-	-	-	-	504
Other assets	17,144	-	-	-	-	17,144
	39,813	1,586	-	-	-	41,399
Financial liabilities						
Other liabilities	19,041	-	-	-	-	19,041
	19,041	-	-	-	-	19,041

The Company and Group's exposure to foreign currency risk is largely concentrated in the US Dollar. Movement in exchange rate between the US Dollar and the Nigerian Naira affects reported earnings through revaluation gain or loss and balance sheet size through increase or decrease in the revalued amounts of assets of assets and liabilities denominated in US Dollars.

The Group is exposed to the US dollar, EURO and GBP currencies. The Group's exposure to other foreign exchange movements is not material.

The following table details the Group's sensitivity to a 9% (2023 9%) increase and decrease in Naira against the US dollar, EURO and GBP. Management believes that a 9% movement in either direction is reasonably possible at the balance sheet date. The sensitivity analyses below include outstanding US dollar, EURO and GBP denominated financial assets and liabilities. A positive number indicates an increase in profit where Naira weakens by 9% against the US dollar, EURO and GBP. For a 9% strengthening of Naira against the US dollar, EURO and GBP, there would be an equal and opposite impact on profit.

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	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Naira strengthens by 9% against the US dollar (2023: 9%)	**162,648**	57,737
Profit/(loss)		
Naira weakens by 9% against the US dollar (2023: 9%)	**(162,648)**	(57,737)
Profit/(loss)		
Naira strengthens by 9% against the EURO (2023: 9%)	**(46,462)**	6,037
Profit/(loss)		
Naira weakens by 9% against the EURO (2023: 9%)	**46,462**	(6,037)
Profit/(loss)		
Naira strengthens by 9% against the GBP (2023: 9%)	**19,903**	73,428
Profit/(loss)		
Naira weakens by 9% against the GBP (2023: 9%)	**(19,903)**	(73,428)
Profit/(loss)		

3.4.4 Interest rate risk

Interest rate risk is the risk of loss in income or portfolio value as a result of changes in market interest rates. The Group is exposed to interest rate risk in its fixed income securities portfolio, as well as on the interest sensitive assets and liabilities in the course of banking and or trading. The Board sets limits on the level of mismatch of interest rate repricing and value at risk that may be undertaken, which is monitored daily by the Asset and Liability Committee.

The table below summarises the Group's interest rate gap position showing its exposure to interest rate risks. Value at risk exposure is disclosed in Note 3.4.2.

GROUP 31 December 2024	Carrying amount ₦'millions	Variable interest ₦'millions	Fixed interest ₦'millions	Non interest-bearing ₦'millions
Financial assets				
Cash and balances with central banks	4,415,186	-	-	4,415,186
Loans and advances to banks	3,302,480	1,964,753	1,334,026	3,701
Loans and advances to customers - Retail portfolio	489,701	155,928	333,773	-
Loans and advances to customers - Corporate portfolio	8,277,889	6,460,550	1,817,339	-
Financial assets at fair value through profit or loss	443,567	3,337	330,830	112,737
Investment securities:				
- FVOCI Investments	4,471,687	-	4,014,943	456,744
- Amortised cost investments	2,064,708	193	2,064,515	-
Assets pledged as collateral	1,069,225	-	1,063,332	5,893
Other assets	982,098	-	69,870	912,228
	25,516,541	8,584,761	11,028,628	5,906,489
Financial liabilities				
Deposits from customers	17,170,690	14,802,452	2,368,238	-
Deposits from banks	2,922,432	-	2,922,432	-
Financial liabilities at FVTPL	50,256	21,995	-	28,261
Other liabilities	1,216,073	-	-	1,216,073
Borrowings	1,559,353	59,590	1,499,763	-
	22,918,804	14,884,037	6,790,433	1,244,334
Interest rate mismatch		(6,299,276)	4,238,195	4,662,155

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GROUP 31 December 2023	Carrying amount ₦'millions	Variable interest ₦'millions	Fixed interest ₦'millions	Non interest-bearing ₦'millions
Financial assets				
Cash and balances with central banks	2,572,363	-	463,753	2,108,610
Loans and advances to banks	2,053,230	-	577,691	1,475,539
Loans and advances to customers - Retail portfolio	389,856	346,482	43,374	-
Loans and advances to customers - Corporate portfolio	5,884,959	5,629,236	235,315	20,408
Financial assets at fair value through profit or loss	748,785	-	75,946	672,839
Investment securities:				
- FVOCI Investments	1,330,161	-	959,948	370,213
- Amortised cost investments	1,467,459	14,739	1,452,720	-
Assets pledged as collateral	1,519,094	-	1,519,094	-
Other assets	472,885	-	13,149	459,736
	16,438,792	5,990,457	5,340,990	5,107,345
Financial liabilities				
Deposits from customers	10,663,346	2,856,491	3,448,100	4,358,755
Deposits from banks	1,803,182	-	1,803,182	-
Financial liabilities at FVTPL	143,470	-	50,862	92,608
Other liabilities	1,257,639	-	-	1,257,639
Borrowings	1,250,827	-	1,250,827	-
	15,118,464	2,856,491	6,552,971	5,709,002
Interest rate mismatch		3,133,966	(1,211,981)	(601,657)

COMPANY 31 December 2024	Carrying amount ₦'millions	Variable interest ₦'millions	Fixed interest ₦'millions	Non interest-bearing ₦'millions
Financial assets				
Loans and advances to banks	23,269	-	23,269	-
Loans and advances to customers: Retail portfolio				
- Term loans	178	-	178	
Financial assets at fair value through profit or loss	-	-		-
Investment securities:				
- FVOCI Investments	14,504	-	14,504	-
Other assets	87	-		87
	38,038	-	37,951	87
Financial liabilities				
Other liabilities	29,077			29,077
	29,077	-	-	29,077
Interest rate mismatch		-	37,951	(28,989)

COMPANY 31 December 2023	Carrying amount ₦'millions	Variable interest ₦'millions	Fixed interest ₦'millions	Non interest-bearing ₦'millions
Financial assets				
Loans and advances to banks	16,523	-	16,523	-
Loans and advances to customers: Retail portfolio				
- Term loans	269	-	269	
Financial assets at fair value through profit or loss	504	-		504
Investment securities:				
- FVOCI Investments	6,959	-	6,959	-
Other assets	87	-		87
	24,342	-	23,751	591
Financial liabilities				
Other liabilities	19,041			19,041
	19,041	-	-	19,041
Interest rate mismatch		-	23,751	(18,450)

3.4.5 Interest rate repricing profile

The tables below summarise the repricing profile of First Bank of Nigeria Limited.'s non-trading book as at 31 December 2024 and 31 December 2023. Carrying amounts of items are allocated to time bands by reference to the earlier of the next contractual interest rate repricing date and the maturity date. The cash flows bucketing on non-maturing financial asset and financial liabilities were determined using their behavioural assumptions based in historical trend analysis. The interest rate exposure of the other subsidiaries' is considered insignificant to the Group. Thus, the repricing profile of the bank is deemed to be fairly representative of the Group.

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31 December 2024	<=30 DAYS ₦'millions	31 - 90 DAYS ₦'millions	91 - 180 DAYS ₦'millions	181 - 365 DAYS ₦'millions	1 - 2 YEARS ₦'millions	2 YEARS & ABOVE ₦'millions	Rate Sensitive ₦'millions
Treasury Bills	281,878	115,029	540,651	672,375	-	-	1,609,933
Government Bonds	-	173,829	31,933	946	12,067	1,800,897	2,019,672
Corporate Bonds	-	-	-	-	-	3,753	3,753
Loans and advances to banks	30,023	750,294	248,249	1,410,573	-	-	2,439,139
Loans and advances to Customers-Retail							
- Overdrafts	7,032	14,551	3,303	9,348	137	532	34,904
- Term loans	4,492	3,575	13,445	13,354	27,100	66,126	128,092
- Credit Cards	172	479	226	1,598	331	1,211	4,017
- Mortgage	22	19	41	42	86	308	517
Loans and advances to Customers-Corporate							
- Overdrafts	120,005	112,698	43,964	104,018	30,180	6	410,870
- Term loans	641,244	1,303,901	347,242	1,177,873	253,572	2,103,593	5,827,426
- Project Finance	45	6,421	1,419	777	9,275	204,317	222,254
TOTAL ASSETS	1,084,912	2,480,796	1,230,473	3,390,903	332,748	4,180,744	12,700,577
Deposits from customers	-	-	-	-	-	-	-
Deposits from banks	953,096	444,012	52,331	504,072	-	-	1,953,511
Treasury Bills	-	-	99,380	29,970	68,839	-	198,188
Medium term loan	816	101,365	53,375	630,677	127,596	202,343	1,116,172
TOTAL LIABILITIES	953,912	545,377	205,086	1,164,719	196,435	202,343	3,267,871
INTEREST RATE REPRICING GAP	131,000	1,935,419	1,025,387	2,226,184	136,313	3,978,401	9,432,706

31 December 2023	<=30 DAYS ₦'millions	31 - 90 DAYS ₦'millions	91 - 180 DAYS ₦'millions	181 - 365 DAYS ₦'millions	1 - 2 YEARS ₦'millions	2 YEARS & ABOVE ₦'millions	Rate Sensitive ₦'millions
Treasury Bills	472,250	510,416	292,007	233,402	-	-	1,508,000
Government Bonds	-	5,766	-	9,284	222,373	707,237	944,000
Corporate Bonds	-	-	3,594	-	6,292	5,005	14,891
Loans and advances to banks	1,238,347	45,108	152,225	113,397	-	-	1,549,077
Loans and advances to Customers-Retail	-	-	-	-	-	-	-
- Overdrafts	11,285	10,133	10,228	5,630	5,409	491	43,176
- Term loans	4,128	9,765	9,442	17,531	31,776	99,170	171,813
- Credit Cards	495	257	193	270	1,450	407	3,073
- Mortgage	28	15	-	29	545	884	1,501
Loans and advances to Customers-Corporate	-	-	-	-	-	-	-
- Overdrafts	289,941	49,769	6,760	358,198	5,794	2,917	713,379
- Term loans	827,704	1,321,463	143,527	464,510	244,159	1,034,666	4,036,029
- Project Finance	241,805	87,390	101	21,743	12,162	98,470	461,671
TOTAL ASSETS	3,085,982	2,040,083	618,077	1,223,994	529,960	1,949,246	9,446,609
Deposits from customers	6,672,127	684,090	261,983	210,673	-	-	7,829,000
Deposits from banks	617,825	740,624	327,020	85,047	-	-	1,770,516
Treasury Bills	10,401	397	8,794	31,270	-	-	50,862
Medium term loan	188,989	111,000	763	185,000	448,241	145,222	1,079,215
TOTAL LIABILITIES	7,489,342	1,536,111	598,560	511,990	448,241	145,222	10,729,593
INTEREST RATE REPRICING GAP	(4,403,359)	503,972	19,517	712,003	81,719	1,804,024	(1,282,984)

3.4.6 Interest rate sensitivity showing fair value interest rate risk

The aggregate figures presented above are further segregated into their various components as shown below:

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Financial assets at fair value through profit or loss				
Treasury bills	**90,043**	32,296	**-**	-
Bonds	**58,694**	16,335	**-**	-
Total	**148,737**	48,631	**-**	-
Impact on income statement:				
Unfavourable change @ 2% reduction in interest rates	**(2,975)**	(973)	**-**	-
Favourable change @ 2% increase in interest rates	**2,975**	973	**-**	-
Investment securities - FVOCI				
Treasury bills	**2,707,152**	545,914	**8,412.00**	3,864.00
Bonds	**1,307,911**	480,971	**6,092**	3,095
Total	**4,015,063**	1,026,885	**14,504**	6,959
Impact on other comprehensive income statement:				
Unfavourable change @ 2% reduction in interest rates	**(80,301)**	(20,538)	**(290)**	(139)
Favourable change @ 2% increase in interest rates	**80,301**	20,538	**290**	139

3.5 Equity risk (Market risk)

The Group is exposed to equity price risk by holding investments quoted on the Nigerian Stock Exchange (NSE) and other non-quoted investments. Equity securities quoted on the NSE is exposed to movement based on the general movement of the all share index and movement in prices of specific securities held by the Group.

As at 31 December 2024, the market value of quoted securities held by the Group was ₦19.23 billion (2023: ₦13.22 billion). If the all share index of the NSE moves by 10,293 (10%) basis points from the 102,926.40 position at 31 December 2024, the effect on the fair value of these quoted securities and the other comprehensive income statement would have been ₦1.92 billion.

The Group holds a number of investments in unquoted securities with a market value of ₦550.11 billion (2023: ₦369.71 billion) of which investments in African Finance Corporation (AFC) is the significant holding (72.48%). AFC is a private sector led investment bank and development finance institution which has the Central Bank of Nigeria as a single major shareholder with other African financial institutions and investors holding the remaining shares. See fair value hierarchy of these investments and sensitivity analysis in note 3.6.

The Group does not deal in commodities and is therefore not exposed to any commodity price risk.

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3.6 Fair value of financial assets and liabilities

3.6.1 Financial instruments measured at fair value – Fair value hierarchy

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position. The fair values include any deferred differences between the transaction price and the fair value on initial recognition when the fair value is based on a valuation technique that uses unobservable inputs.

GROUP

31 December 2024	Level 1 ₦'millions	Level 2 ₦'millions	Level 3 ₦'millions	Total ₦'millions
Financial assets				
Financial assets at fair value through profit or loss				
Debt Securities	148,737	-	-	148,737
Equity	5,131	5,076	102,530	112,737
Derivatives	-	182,093	-	182,093
FVOCI Investments				
Investment securities - debt	4,015,063	-	-	4,015,063
Investment securities - unlisted equity	-	402,784	37,930	440,714
Investment securities - listed equity	15,910	-	-	15,910
Assets pledged as collateral	822,897	-	-	822,897
Financial liabilities at fair value through profit or loss				
Derivatives	-	50,256	-	50,256

31 December 2023	Level 1 ₦'millions	Level 2 ₦'millions	Level 3 ₦'millions	Total ₦'millions
Financial assets at fair value through profit or loss				
Debt Securities	48,631	-	-	48,631
Equity	12,511	-	67,140	79,651
Derivatives	-	620,503	-	620,503
FVOCI Investments				
Investment securities - debt	1,026,885	-	-	1,026,885
Investment securities - unlisted equity	-	285,974	16,597	302,571
Investment securities - listed equity	705	-	-	705
Assets pledged as collateral	1,456,183	-	-	1,456,183
Financial liabilities at fair value through profit or loss				
Debt Securities	50,862	-	-	50,862
Derivatives	-	92,608	-	92,608

COMPANY

31 December 2024	Level 1 ₦'millions	Level 2 ₦'millions	Level 3 ₦'millions	Total ₦'millions
Financial assets				
Financial assets at FVTPL				
Investment securities - unlisted equity	-	-	-	-
FVOCI Investments				
Investment securities - debt	**14,504**	-	-	**14,504**

31 December 2023	Level 1 ₦'millions	Level 2 ₦'millions	Level 3 ₦'millions	Total ₦'millions
Financial assets				
Financial assets at FVTPL				
Investment securities - unlisted equity	-	504	-	504
FVOCI Investments				
Investment securities - debt	6,959	-	-	6,959

(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 bonds and equity investments classified as trading securities or available for sale.

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(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is 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:

a) Quoted market prices or dealer quotes for similar instruments;

b) 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;

c) Other techniques, such as discounted cash flow analysis, sales prices of comparable properties in close proximity , are used to determine fair value for the remaining financial instruments.

Note that all of the resulting fair value estimates are included in Level 2 except for certain unquoted equities and equity derivatives explained below.

(c) Financial instruments in level 3

Inputs for the asset or liability in this fair value hierarchy are not based on observable market data (unobservable inputs). This level includes debt and equity investments with significant unobservable components.

Transfers in and out of level 3 instruments are recognised on the date of the event or change in circumstances that caused the transfer.

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy.

GROUP	₦'millions
At 1 January 2023	67,300
Acquisitions	36,984
Matured/redeemed	(1,222)
Total gains recognised through profit/loss	(379)
Total gains recognised through OCI	(18,946)
Transfer into Level 2 due to change in observability of market data	-
At 31 December 2023	83,737
Acquisitions	**11,912**
Matured/redeemed	**(2,715)**
Total gains recognised through profit/loss	**26,193**
Total gains recognised through OCI	**21,333**
Transfer into Level 2 due to change in observability of market data	**-**
At 31 December 2024	**140,460**

During the year ended 31 December 2024, there was transfer between level 3 and 2 fair value measurements based on availability of observable inputs.

COMPANY	₦'millions
At 1 January 2023	1,601
Acquisitions	-
Disposal	(1,222)
Total losses recognised through profit/loss	(379)
At 31 December 2023	-
Acquisitions	-
Disposal	-
Total losses recognised through profit/loss	-
At 31 December 2024	-

Total gains or losses for the period included in profit or loss are presented in 'Net gains/(losses) from investment securities.

Information about the fair value measurements using significant unobservable Inputs (Level 3)

The equity sensitivity measures the impact of a +/- 250bps movements in the comparative companies. The sensitivity of the fair values of investment in unlisted equites to changes in the P/E multiples, EBITDA, cost of capital, illiquidity discount and transaction price as at 31 December, 2024 is as shown in the below table:

Description	Valuation technique	Assumption	
NIBSS PLC	P/E MULTIPLES	Base	13,187
		Sensitivity of +2.5%	13,517
		Sensitivity of -2.5%	12,857
AFREXIM BANK LIMITED	P/B MULTIPLES	Base	7,916
		Sensitivity of +2.5%	8,114
		Sensitivity of -2.5%	7,718

EV/EBITDA, P/B valuation or P/E valuation multiple - the group determines appropriate comparable public company/ies based on industry, size, developmental stage, revenue generation and strategy. The group then calculates a trading multiple for each comparable company identified. The multiple is calculated by either dividing the enterprise value of the comparable company by its earning before interest, tax, depreciation and amortisation (EBITDA), or dividing the quoted price of the comparable company by its net income (P/E). The trading multiple is then adjusted for discounts/premiums with regards to such consideration as illiquidity and other differences, advantages and disadvantages between the group's investee company and the comparable public companies based on company-specific facts and circumstances.

Income approach (discounted cashflow) - the group determines the free cash flow of the investee company, and discounts these cashflows using the relevant cost of equity. The cost of equity is derived by adjusting the yield on the risk free securites (FGN Bonds) with the equity risk premium and company/sector specific premium. The present value derived from the calculation represents the investee company's enterprise value.

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3.6.2 Group's valuation process

The Group's asset liability management (ALM) unit performs the valuation of financial assets required for financial reporting purposes. This team also engages external specialist valuers when the need arises, and reports directly to the Chief Risk Officer. Discussions on the valuation process and results are held between the ALM team and the Chief Risk Officer on a monthly basis in line with the group's management reporting dates.

3.6.3 Financial instruments not measured at fair value

(a) The carrying value of the following financial assets and liabilities for both the company and group approximate their fair values:

Cash and balances with Central banks
Loans and advances to banks
Other assets (excluding prepayments)
Deposits from banks
Deposits from customers
Liability on investment contracts
Other liabilities (excluding provisions and accruals)

(b) Table below shows the carrying value of other financial assets not measured at fair value.

GROUP 31 December 2024	Level 1 ₦'millions	Level 2 ₦'millions	Level 3 ₦'millions	Total Fair Value ₦'millions	Total Carrying Amount ₦'millions
Financial assets					
Cash and balances with central banks	-	4,415,186	-	4,415,186	4,415,186
Loans and advances to banks	-	3,302,480	-	3,302,480	3,302,480
Loans and advances to Customers: Retail Portfolio					
- Overdrafts	-	-	38,716	38,716	38,716
- Term loans	-	-	183,055	183,055	183,055
- Credit cards	-	-	4,016	4,016	4,016
- Mortgage	-	-	264,212	264,212	264,212
Loans and advances to Customers: Corporate Portfolio					
- Overdrafts	-	-	661,012	661,012	661,012
- Term loans	-	-	7,394,622	7,394,622	7,394,622
- Project finance	-	-	222,255	222,255	222,255
- Advances under finance lease	-	-	-	-	-
Investments at amortised cost	2,010,098	54,610	-	2,064,708	2,064,708
Asset pledged as collateral	246,328	-	-	246,328	246,328
Other assets	392,071	-	982,098	1,374,169	982,098
Financial liabilities					
Deposit from customers	-	17,170,690	-	17,170,690	17,170,690
Deposit from bank	-	2,922,432	-	2,922,432	2,922,432
Borrowing	-	1,559,353	-	1,559,353	1,559,353
Other liabilities		-	1,216,073	-	1,216,073

GROUP 31 December 2023	Level 1 ₦'millions	Level 2 ₦'millions	Level 3 ₦'millions	Total Fair Value ₦'millions	Total Carrying Amount ₦'millions
Financial assets					
Cash and balances with central banks	-	2,572,363	-	2,572,363	2,572,363
Loans and advances to banks	-	2,053,230	-	2,053,230	2,053,230
Loans and advances to Customers: Retail Portfolio					
- Overdrafts	-	-	44,130	44,130	44,130
- Term loans	-	-	210,378	210,378	210,378
- Credit cards	-	-	3,027	3,027	3,027
- Mortgage	-	-	133,091	133,091	133,091
Loans and advances to Customers: Corporate Portfolio					
- Overdrafts	-	-	753,666	753,666	753,666
- Term loans	-	-	4,814,966	4,814,966	4,814,966
- Project finance	-	-	400,036	400,036	400,036
Investments at amortised cost	1,291,740	169,523	-	1,461,263	1,467,459
Asset pledged as collateral	62,911	-	-	62,911	62,911
Other assets	392,071	-	472,885	864,956	472,885
Financial liabilities					
Deposit from customers	-	10,663,346	-	10,663,346	10,663,346
Deposit from bank	-	1,803,182	-	1,803,182	1,803,182
Borrowing	-	1,250,827	-	1,250,827	1,250,827
Other liabilities		-	1,257,639	-	1,257,639

COMPANY 31 December 2024	Level 1 ₦'millions	Level 2 ₦'millions	Level 3 ₦'millions	Total Fair Value ₦'millions	Total Carrying Amount ₦'millions
Financial assets					
Loans and advances to Customers: Retail Portfolio					
- Term loans	**-**	**-**	**178**	**178**	**178**

COMPANY 31 December 2023	Level 1 ₦'millions	Level 2 ₦'millions	Level 3 ₦'millions	Total Fair Value ₦'millions	Total Carrying Amount ₦'millions
Financial assets					
Loans and advances to Customers: Retail Portfolio					
- Term loans	-	-	269	269	269

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(c) The fair value of loans and advances to customers (including loan commitments) and investment securities are as follows:

GROUP	31 December 2024		31 December 2023	
	Carrying value ₦'millions	Fair value ₦'millions	Carrying value ₦'millions	Fair value ₦'millions
Financial assets				
Loans and advances to customers				
Fixed rate loans	**820,345**	**820,345**	256,895	256,895
Variable rate loans	**7,946,926**	**7,946,926**	5,996,087	5,996,050
Investment securities (Amortised cost)	**1,814,553**	**1,789,634**	1,297,936	1,291,740
Asset pledged as collateral	**246,328**	**223,245**	62,911	54,071
Loan commitments	**168,733**	**168,733**	179,217	179,217
Financial liability				
Borrowings	**1,264,565**	**1,264,565**	1,031,533	1,031,533

Investment securities have been fair valued using the market prices and is within level 1 of the fair value hierarchy.

Loans and advances to customers have been fair valued using average benchmarked lending rates which are adjusted to specific entity risks based on history of losses.

Borrowings which are listed on stock exchange are fair valued using market prices and are within level 1 of the fair value heirarchy while other borrowings are fair valued using valuation techniques and are within level 3 of the fair value heirarchy.

4. Capital management

The Group's objectives when managing capital are (i) to comply with the capital requirements set by the regulators (Central Bank of Nigeria, Securities and Exchange Commission, National Insurance Commission etc), (ii) to safeguard the Group's ability to continue as a going concern and (iii) to maintain a sufficient capital base to achieve the current regulatory capital requirement of First HoldCo Plc. and its subsidiaries. The regulatory capital requirement for entities within the Group, as well as the internal target for capital management are as follows:

Name of Entity	Primary Regulator	Regulatory Requirement
First HoldCo Plc.	Central Bank of Nigeria	Paid-up Capital in excess of aggregated minimum paid up capital of subsidiaries
First Bank of Nigeria Limited	Central Bank of Nigeria	₦50billion Capital; and 15% Capital Adequacy Ratio
FBNQuest Merchant Bank Limited	Central Bank of Nigeria	₦15billion Capital; and 10% Capital Adequacy Ratio
First Asset Management Bank Limited	Securities and Exchange Commission	Portfolio & Investment Management - ₦150million
First Securities Brokers Limited	Securities and Exchange Commission	Broker-Dealer: ₦300million; Market-Maker: ₦500million; and Investment Adviser: ₦5million
FirstCap Limited	Securities and Exchange Commission	Issuing House: ₦200million
First Trustees Limited	Securities and Exchange Commission	Trusteeship: ₦300million Corporate Investment Adviser: ₦5million Fund & Portfolio Manager: ₦150million
FirstInsurance Brokers Limited	National Insurance Commission	Insurance Brokerage: ₦5million

The Group's capital management approach is driven by its strategy and organisational requirements, taking into account the regulatory and commercial environment in which it operates. It is the Group's policy to maintain a strong capital base to support the development of its business and to meet regulatory capital requirements at all times.

Through its corporate governance processes, the Group maintains discipline over its investment decisions and where it allocates its capital, seeking to ensure that returns on investment are appropriate after taking account of capital costs.

The Group's strategy is to allocate capital to businesses based on their economic profit generation and, within this process, regulatory and economic capital requirements and the cost of capital are key factors. The Group has an Internal Capital Adequacy Assessment Process which proactively evaluates capital needs vis-a-vis business growth and the operating environment. It also guides the capital allocation among the subsidiaries and the business units. The Group's internal capital adequacy assessment entails periodic review of

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risk management processes, monitoring of levels of risk and strategic business focus through a system of internal controls that provides assurance to those charged with governance on risk management models and processes.

The Group considers both equity and debt, subject to regulatory limits as capital.

The test of capital adequacy for First HoldCo Plc. and its subsidiaries, in accordance with the requirements of paragraphs 7.1 and 7.3 of the Guidelines for Licensing and Regulation of Financial Holding Companies in Nigeria, as at 31 December 2024 and 2023 are as follows:

i. First HoldCo Plc.

Subsidiary	Proportion of shares held		First HoldCo Plc.'s share of minimum paid up capital	
	31 December 2024 (%)	31 December 2023 (%)	31 December 2024 ₦'millions	31 December 2023 ₦'millions
First Bank of Nigeria Limited	**100**	100	**50,000**	50,000
FBNQuest Merchant Bank Limited	**100**	100	**15,000**	15,000
FirstCap Limited	**100**	100	**355**	800
First Trustees Limited	**100**	100	**455**	300
First Insurance Brokers Limited	**100**	100	**5**	5
First Asset Management Limited	**100**	100	**150**	150
First Securities Brokers Limited	**100**	100	**805**	805
Rainbow Town Development Limited	**55**	55	**-**	-
Aggregated minimum paid up Capital of Subsidiaries			**66,770**	67,060
First HoldCo Plc.'s Paid-up Capital			**251,340**	251,340

ii. First Bank of Nigeria Limited & FBNQuest Merchant Bank Limited

The Banks' capital is divided into two tiers:

- Tier 1 capital: core equity tier one capital including ordinary shares, statutory reserve, share premium and general reserve. Non-controlling interests arising on consolidation from interests in permanent shareholders' equity. The book value of goodwill, unpublished losses and under provisions are deducted in arriving at qualifying Tier 1 capital; and

- Tier 2 capital: qualifying subordinated loan capital and unrealised gains arising from the fair valuation of financial instruments held as available for sale. Under the Basel II requirements as implemented in Nigeria, Tier 2 capital is restricted to Tier 1 capital based on CBN's guidelines.

The Central Bank of Nigeria prescribed the minimum limit of total qualifying capital/total risk weighted assets as a measure of capital adequacy of banks in Nigeria. Total qualifying capital consists of tier 1 and 2 capital less investments in subsidiaries and other regulatory adjustments.

The table below summarises the Basel II capital adequacy ratio for 2024 and 2023. It shows the composition of regulatory capital and ratios for the years. During those years, First Bank of Nigeria Limited and FBNQuest Merchant Bank complied with all the regulatory capital requirements to which they are subjected.

	FBNQUEST MERCHANT BANK LIMITED		FIRST BANK OF NIGERIA LIMITED	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Tier 1 capital				
Share capital	4,302	4,302	17,948	17,948
Share premium	3,905	3,905	212,609	212,609
Statutory reserve	11,345	9,129	229,433	165,159
SMEEIS reserves	-	-	6,076	6,076
Retained earnings	25,289	16,327	783,032	436,358
Less: Goodwill/Deferred Tax	(9,268)	(9,206)	(37,005)	-
Less: Investment in subsidiaries	(1)	(1,518)	(55,198)	(53,717)
Total qualifying for tier 1 capital	35,572	22,939	1,156,895	784,433
Tier 2 capital				
Fair value reserve	(3,959)	(2,863)	354,983	301,848
Other borrowings	8,022	8,021	247,840	37,041
Total tier 2 capital	4,063	5,158	602,823	338,889
Tier 2 Capital Restriction	4,063	5,158	385,632	279,383
Less: Investment in subsidiaries	-	-	(55,198)	(53,717)
Total qualifying for tier 2 capital	4,063	5,158	330,434	225,666
Total regulatory capital	39,635	28,097	1,487,329	1,010,099
Risk-weighted assets				
Credit Risk	188,360	157,412	7,035,562	4,409,302
Operational Risk	20,997	20,635	1,744,236	1,109,880
Market Risk	8,421	5,008	214,437	123,270
Total risk-weighted assets	217,778	183,055	8,994,235	5,642,452
Risk-weighted Capital Adequacy Ratio (CAR)	18.20%	15.35%	16.54%	17.90%
Tier 1 CAR	16.33%	12.53%	12.86%	13.90%

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for the year ended 31 December 2024

iii. **Other Regulated Subsidiaries**

	31 December 2024			31 December 2023	
	Regulatory Capital ₦'millions	Shareholders fund ₦'millions	Excess/ (Shortfall) ₦'millions	Shareholders fund ₦'millions	Excess/ (Shortfall) ₦'millions
FirstCap Limited	355	54,161	53,806	19,624	18,824
First Trustees Limited	455	15,118	14,663	4,976	4,676
First Insurance Brokers Limited	5	650	645	232	227
First Asset Management Limited	150	20,647	20,497	9,221	9,071
First Securities Brokers Limited	805	1,835	1,030	1,254	449

All the regulated entities within the Group complied with all the regulatory capital requirements to which they were subjected.

5 Material accounting judgements, estimates and assumptions

The Group's financial statements and its financial result are influenced by accounting policies, assumptions, estimates and management judgement, which necessarily have to be made in the course of preparation of the consolidated financial statements. The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. All estimates and assumptions required in conformity with IFRS Accounting Standards are best estimates undertaken in accordance with the applicable standard. Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events. Accounting policies and management's judgements for certain items are especially critical for the Group's results and financial situation due to their materiality.

a Impairment of financial assets

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and debt instruments measured at FVOCI is an area that requires the use of complex models and material assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

A number of material judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Generating the term structure of the probability of default;
- Determining whether credit risk has increased significantly;
- Incorporation of forward-looking information;
- Determination of definition of default
- Estimation of loss given default.

The detailed methodologies, areas of estimation and judgement applied in the calculation of the Group's impairment charge on financial assets are set out in the Financial risk management section of the annual report

b Fair value of financial instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability at the measurement date in an orderly arm'slength transaction between market participants in the principal market under current market conditions (i.e., the exit price). Fair value measurements are categorized into levels within a fair value hierarchy based on the nature of the valuation inputs (Level 1, 2 or 3). Fair value is based on unadjusted quoted prices in an active market for the same instrument, where available (Level 1). If active market prices or quotes are not available for an instrument, fair value is then based on valuation models in which the significant inputs are observable (Level 2) or in which one or more of the significant inputs are non-observable (Level 3). Estimating fair value requires the application of judgment. The type and level of judgment required is largely dependent on the amount of observable market information available. For instruments valued using internally developed models that use significant non-observable market inputs and are therefore classified within Level 3 of the hierarchy, the judgment used to estimate fair value is more significant than when estimating the fair value of instruments classified within Levels 1 and 2. To ensure that valuations are appropriate, a number of policies and controls are in place. Valuation inputs are verified to external sources such as exchange quotes, broker quotes or other management-approved independent pricing sources.

Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed by qualified personnel independent of those that sourced them. All models are certified before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use only observable data; however, areas such as credit risk (both own credit risk and counterparty risk), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments. All fair values are on a recurring basis. Refer to Note 3.6 for additional sensitivity information for financial instruments.

c Retirement benefit obligation

The Group recognises its obligations to its employees on the gratuity scheme at the period end, less the fair value of the plan assets after performing actuarial valuation of the obligation. The scheme's obligations are calculated using the projected unit credit method. Plan assets are stated at fair value as at the period end. Changes in pension scheme liabilities or assets (remeasurements) that do not arise from regular pension cost, net interest on net defined benefit liabilities or assets, past service costs, settlements or contributions to the scheme, are recognised in other comprehensive income. Remeasurements comprise experience adjustments (differences between previous actuarial assumptions and what has actually occurred), the effects of changes in actuarial assumptions, return on scheme assets (excluding amounts included in the interest on the assets) and any changes in the effect of the asset ceiling restriction (excluding amounts included in the interest on the restriction).

The measurement of the group's benefit obligation and net periodic pension cost/(income) requires the use of certain assumptions, including, among others, estimates of discount rates and expected return on plan assets. See note 40, "Retirement benefits obligation," for a description of the defined benefit pension plans. An actuarial valuation is performed by actuarial valuation experts on an annual basis to determine the retirement benefit obligation of the group.

d Impairment of Goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy. The recoverable amounts of cash-generating units (CGU) have been determined based on value-in-use calculations. These calculations require the use of significant amount of judgement and estimates of future cash flows. A number of factors affect the value of such cash flows, including discount rates, changes in the economic outlook, customer behavior and competition See note 32 for detailed information on impairment assessment performed on the CGU. There was no impairment charge during the year (2023: Nil)

Notes to the Financial Statements

for the year ended 31 December 2024

e Determining the lease term : Extension and termination options

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors, including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and is within the control of the Group.

f Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Management judgement is required to determine the amount of deferred tax assets that can be recognized, based on the likely timing and level of future taxable profits, together with future tax planning strategies. In determining the timing and level of future taxable profits together with future tax planning strategies, the Group assessed the probability of expected future taxable profits based on expected revenues for the next five years. Details of the Group's recognized and unrecognized deferred tax assets and liabilities are as disclosed in note 32.

6 Segment information

Following the management approach of IFRS 8, operating segments are reported in accordance with the internal reports provided to the Board of Directors (the chief operating decision maker), which is responsible for allocating resources to the operating segments and assesses its performance.

The identifiable reportable business groups of First HoldCo Plc.

1. Commercial Banking Business Group
2 Investment Banking and Asset Management Business Group
3. Others

Commercial Banking Business Group

This is the Group's core business, which provides both individual and corporate clients/ customers with financial intermediation services. This business segment includes the Group's local, international and representative offices offering commercial banking services.

Investment Banking and Asset Management Business Group (IBAM)

This is the investment-banking arm of the Group, providing advisory, asset management, markets and private equity services to a large institutional (corporations and governments) clientele, as well as merchant banking services.

Others

Others, previously referred to as Other Financial Services, comprises of First HoldCo Plc., the parent company, FirstInsurance Brokers Limited, Rainbow Town Development Limited and FBNQuest Merchant Bank Limited.

The Group's management reporting is based on a measure of operating profit comprising net interest income, loan impairment charges, net fee and commission income, other income and non-interest expenses. This measurement basis excludes the effect of non-recurring expenditure from the operating segments such as restructuring costs, legal expenses and goodwill impairments when the impairment is the result of an isolated, non-recurring events.

As the Board of Directors reviews operating profit, the results of discontinued operations are not included in the measure of operating profit. The transactions between segments are carried out at arm's length, which is consistent with the basis of transacting with external parties.

The information provided about each segment is based on the internal reports about segment profit or loss, assets and other information, which are regularly reviewed by the Board of Directors.

Segment assets and liabilities comprise operating assets and liabilities, being the majority of the consolidated statement of financial position.

Segment result of operations

Total revenue in the segment represents: Interest income, fee and commission income, foreign exchange income, net gains/losses on sale of investment securities, net gains/losses from financial instruments at fair value through profit/loss, dividend income, other operating income and share of profit/loss of associates.

Notes to the Financial Statements

for the year ended 31 December 2024

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

	Commercial Banking Group ₦'millions	Investment Banking and Asset Management Group ₦'millions	Others ₦'millions	Total ₦'millions
At 31 December 2024				
Total segment revenue	3,104,517	104,224	67,366	3,276,107
Inter-segment revenue	(1,736)	(637)	(61,085)	(63,458)
Revenue from external customers	3,102,781	103,587	6,281	3,212,649
Interest income	2,361,161	33,404	2,863	2,397,428
Interest expense	(975,257)	(20,854)	(8)	(996,119)
Impairment charge on financial instruments	(416,875)	(9,413)	(6)	(426,294)
Depreciation	(43,610)	(354)	(420)	(44,384)
Profit/(loss) before tax	743,219	56,714	(3,466)	796,467
Income tax expense	(121,507)	(10,970)	(500)	(132,977)
Profit/(loss) for the year from continuing operations	621,712	45,744	(3,966)	663,490
Profit for the year from discontinued operations	-	-	13,515	13,515
At 31 December 2024				
Total assets	25,457,929	512,457	553,832	26,524,218
Other measures of assets:				
Loans and advances to customers	8,767,270	416	202	8,767,888
Expenditure on non-current assets	220,166	1,044	954	222,164
Investment securities	6,245,520	276,371	14,504	6,536,395
Total liabilities	22,842,455	411,481	474,948	23,728,884
At 31 December 2023				
Total segment revenue	1,493,270	64,141	22,985	1,580,396
Inter-segment revenue	(451)	(250)	(17,922)	(18,623)
Revenue from external customers	1,492,819	63,891	5,063	1,561,773
Interest income	918,163	15,362	3,157	936,682
Interest expense	(377,916)	(12,472)	(6)	(390,394)
Impairment charge on financial instruments	(218,144)	(6,804)	-	(224,948)
Depreciation	(28,522)	(159)	(372)	(29,053)
Profit/(loss) before tax	324,233	33,707	(1,792)	356,148
Income tax expense	(38,082)	(9,264)	(369)	(47,715)
Profit/(loss) for the year from continuing operations	286,151	24,443	(2,161)	308,433
Profit for the year from discontinued operations	-	-	1,937	1,937
At 31 December 2023				
Total assets	16,230,843	655,347	51,494	16,937,684
Other measures of assets:				
Loans and advances to customers	6,252,975	106,031	288	6,359,294
Expenditure on non-current assets	156,879	3,408	1,390	161,677
Investment securities	2,537,342	253,319	6,959	2,797,620
Total liabilities	14,594,803	573,870	21,990	15,190,663

Geographical information
Revenues

	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Nigeria	**2,541,064**	1,294,537
Outside Nigeria	**671,585**	267,236
Total	**3,212,649**	1,561,773

Non current asset
Property and equipment

	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Nigeria	**134,491**	111,384
Outside Nigeria	**87,673**	50,293
Total	**222,164**	161,677

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for the year ended 31 December 2024

7 Interest income

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Loans and advances to customers	**1,363,715**	609,815	**44**	31
Investment securities at FVOCI	**436,643**	145,971	**1,912**	368
Investment securities at amortized cost	**296,811**	130,754	**-**	-
Loans and advances to banks	**183,258**	48,331	**4,053**	2,980
Total interest income calculated using effective interest income	**2,280,427**	934,871	**6,009**	3,379
Investment securities at Fair value through profit or loss	**117,001**	1,811	**-**	-
	2,397,428	936,682	**6,009**	3,379

8 Interest expense

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Deposit from customers	**615,153**	251,663	**-**	-
Deposit from banks	**210,117**	52,305	**-**	-
Borrowings	**169,008**	85,838	**-**	-
Lease liability	**1,841**	588	**8**	6
	996,119	390,394	**8**	6

9 Impairment charge on financial instruments

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Loans and advances to banks (refer to note 21)				
Stage 1 - 12- month ECL	**(5,041)**	36,105	-	-
	(5,041)	36,105	-	-
Investment securities (refer to note 24)				
Stage 1 - 12- month ECL	**(1,594)**	8,950	-	-
	(1,594)	8,950	-	-
Loans and advances to customers (refer to note 22)				
Stage 1 - 12- month ECL	**6,411**	3,635	-	-
Stage 2 - Lifetime ECL	**(64,326)**	84,627	-	-
Stage 3 - Lifetime ECL	**428,959**	86,406	-	-
	371,044	174,668	-	-
Other assets (refer to note 26)				
ECL impairment charge	**43,769**	5,903	3	-
Write-off	-	-	-	
	43,769	5,903	3	-
Off balance sheet (refer to note 36)				
Impairment a charge/(reversal)	**18,116**	(678)	-	-
Net impairment charge	**426,294**	224,948	3	-

Notes to the Financial Statements

for the year ended 31 December 2024

10a Fee and commission income

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Credit related fees	46,700	17,485
Letters of credit commissions and fees	35,501	59,863
Electronic banking fees	77,014	66,343
Money transfer commission	1,928	954
Commission on bonds and guarantees	5,798	3,539
Funds transfer and intermediation fees	46,594	20,286
Account maintenance	21,817	22,322
Brokerage and intermediations	6,730	4,273
Custodian fees	1,740	11,828
Fund management fees	11,495	8,074
Trust fee income	2,791	1,869
Other fees and commissions	46,390	3,492
	304,498	220,328
Timing of revenue recognition		
At a point in time	237,679	167,171
Over time	66,819	53,157
	304,498	220,328

10b Fees and commission expense

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Acceptance cost (Alternative channels)	40,527	14,759
SMS charge	11,939	11,023
Agent banking expenses	5,929	5,357
Internet/web expenses	1,214	2,117
	59,609	33,256

Fee and commission expense primarily relates to charges raised by switching platforms on holders of First Bank Limited ATM cards, who make use of the other banks machines while transacting business,and SMS alert related expenses.

Notes to the Financial Statements
for the year ended 31 December 2024

11 Foreign exchange (loss)/gain

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Revaluation (loss)/gain on foreign currency balances	**(90,965)**	(333,810)	**1,164**	787
Net monetary loss (see note (i))	**(10,474)**	(9,025)	**-**	-
Foreign exchange trading gain	**36,494**	8,605	**-**	-
	(64,945)	(334,230)	**1,164**	787

(i) This is the net monetary positions as a result of applying IAS 29 'Financial Reporting in Hyperinflationary Economies'.

12 Net (losses)/ gains on sale of investment securities

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Net (losses)/ gains on sale of investment securities	**(48,059)**	34,848	**21**	(50)
	(48,059)	34,848	**21**	(50)

This relates to gain on sale of financial assets at fair value through other comprehensive income.

13 Net gains/(losses) from financial instruments at FVTPL

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Fair value gain on derivatives	**533,971**	642,233	**-**	-
Fair value (loss)/gain on equities	**(553)**	(377)	**4**	(379)
Fair value gain on debt securities	**1,550**	39,695	**-**	-
Fair value gain/(loss) on financial instruments at FVTPL	**534,968**	681,551	**4**	(379)
Trading income/(loss) on debt securities	**15,021**	(3,119)	**-**	-
Net gains/(losses) from financial instruments at FVTPL	**549,989**	678,432	**4**	(379)

Notes to the Financial Statements

for the year ended 31 December 2024

14 Dividend income

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
First Bank of Nigeria Limited	-	-	12,500	12,500
FirstCap Limited	-	-	5,000	2,000
FBNQuest Merchant Bank Limited	-	-	-	1,006
First Trustees Limited	-	-	5,294	1,437
FirstInsurance Brokers Limited	-	-	600	450
First Asset Management Limited	-	-	4,000	-
Entities outside the group*	10,657	5,742	-	-
Withholding tax on dividend	-	-	(304)	(233)
	10,657	5,742	27,090	17,160

*This represents dividend income earned on equity investments held by subsidiaries of First HoldCo Plc.

15 Other operating income

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
(Loss)/profit on sale of property and equipment	(194)	7	(130)	7
Other income (i)	26,599	10,953	36	116
Recoveries	36,141	8,191	-	-
	62,546	19,151	(94)	123

(i) Other income largely comprises income made by the group from private banking services,and gain on disposal of repossessed collateral.

16 Personnel expenses

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Wages and salaries	229,103	132,900	2,619	1,929
Pension costs:		-		
- Defined contribution plans	15,660	7,095	87	93
- Defined benefit cost (note 38)	1,098	1,194	-	-
Post employment benefit	710	541	239	166
Other staff benefits	61,901	34,171	7	6
	308,472	175,901	2,952	2,194

Other Staff benefits include benefits to staff other than Wages, Salaries and Pensions. These benefits include staff productivity expenses, relocation expenses and payment for professional examinations

The average number of persons employed by the Group during the period was as follows:

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Executive directors	**2**	2	**2**	2
Management	**241**	331	**7**	8
Non-management	**9,707**	8,440	**32**	31
	9,950	8,773	**41**	41

The number of employees of the Group, other than directors, who received emoluments in the following ranges (excluding pension contributions and certain benefits) were:

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Below ₦2,000,000	**252**	215	**2**	1
₦2,000,001 - ₦2,800,000	**148**	65	**1**	4
₦2,800,001 - ₦3,500,000	**73**	330	**2**	-
₦3,500,001 - ₦4,000,000	**112**	139	**-**	1
₦4,000,001 - ₦5,500,000	**650**	691	**3**	2
₦5,500,001 - ₦6,500,000	**1,949**	1,509	**2**	3
₦6,500,001 - ₦N7,800,000	**432**	387	**4**	3
₦7,800,001 - ₦9,000,000	**1,297**	1,075	**1**	1
₦9,000,001 and above	**5,035**	4,360	**24**	24
	9,948	8,771	**39**	39

Notes to the Financial Statements

for the year ended 31 December 2024

17 Operating expenses

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Auditors' remuneration[1]	**2,982**	1,471	**50**	40
Directors' emoluments	**5,018**	3,486	**936**	1,035
AMCON resolution cost	**74,865**	51,121	**-**	-
Deposit insurance premium	**47,668**	28,086	**-**	-
Maintenance	**134,760**	70,816	**150**	88
Insurance premium	**6,065**	3,762	**196**	130
Rent and rates	**8,735**	3,207	**-**	-
Advert and corporate promotions	**75,934**	32,249	**90**	401
Legal and other professional fees	**34,514**	18,046	**1,110**	549
Donations & subscriptions	**1,912**	1,643	**83**	32
Stationery & printing	**4,228**	3,042	**28**	11
Communication, light and power	**34,619**	23,185	**22**	16
Cash handling charges	**5,673**	3,259	**-**	-
Administrative and other charges[2]	**20,718**	40,916	**-**	-
Passages and travels	**26,073**	10,789	**1,099**	647
Outsourced cost	**36,448**	22,558	**20**	17
Statutory fees	**167**	69	**129**	50
WHT on retained dividend	**304**	215	**-**	-
Fines and penalties	**42**	32	**8**	14
Other operating expenses	**42,981**	20,296	**679**	272
	563,706	338,248	**4,600**	3,302

[1]Auditors' remuneration for the group represents the aggregate of the fees paid by the various entities in the group to their respective auditors.

[2]Administrative expense and Other Charges comprise operational losses, judgement debts, and tax back duties.

18 Taxation

a Tax expense

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
a(i) Minimum Tax	**14,584**	8,282	**36**	21

a(ii) **Income tax expense**

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Corporate tax	**58,661**	28,170	**-**	-
Education tax	**4,428**	1,060	**-**	-
Technology tax	**5,031**	4,927	**-**	-
Police trust fund levy	**26**	14	**1**	1
National agency for science and engineering infrastructure levy	**1,184**	549	**-**	-
Windfall Levy	**33,492**	-	**-**	-
Over provision in prior years	**-**	46	**-**	-
	102,822	34,766	**1**	1
Origination and reversal of temporary deferred tax differences (Note 32)	**15,571**	4,667	**-**	-
Income tax expense	**118,393**	39,433	**1**	1
Total tax expense	**132,977**	47,715	**37**	22

During the year, the Federal Government of Nigeria enacted a new tax legislation to implement a windfall profit levy of 70% on realized profits from all foreign exchange transactions of banks in Nigeria licensed to carry out foreign exchange transactions under the Banks and Other Financial Institutions Act, 2020 and all other relevant Nigerian laws. The windfall profit levy impacts the Commercial Banking subsidiary, First Bank of Nigeria and applies to the 2023, 2024 and 2025 financial years. The levy recognised during the year represents the charge for 2023 and 2024 financial years.

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GROUP

Effective tax reconciliation

	2024		2023	
Profit before income tax and minimum tax	781,883		347,866	
Tax calculated using the domestic corporation tax rate of 30% (2023: 30%)	234,565	30%	104,360	30%
Effect of tax rates in foreign jurisdictions	(12,315)	-2%	(2,331)	-1%
Tax exempt income	(409,853)	-52%	(258,641)	-74%
Non-deductible expenses	243,688	31%	192,073	55%
Effect of education tax levy	4,428	1%	1,060	0%
Effect of Information technology	5,031	1%	4,927	1%
Effect of windfall tax levy	33,492	4%	-	0%
Tax incentives	18,258	2%	(2,424)	-1%
Under-provision in prior years	(111)	0%	(154)	0%
NASENI Levy	1,184	0%	549	0%
Effect of police trust fund Levy	26	0%	14	0%
Income tax expense	118,393	15%	39,433	11%

COMPANY

Effective tax reconciliation

	2024		2023	
Profit before income tax	26,225		15,171	
Tax calculated using the domestic corporation tax rate of 30% (2023: 30%)	7,868	30%	4,551	30%
Tax exempt income	(8,075)	-31%	(4,586)	-30%
Non-deductible expenses	207	1%	35	0%
Effect of police trust fund levy	1	0%	1	0%
Income tax expense	1	0%	1	0%

b Current income tax liability

The movement in the current income tax liability is as follows:

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
At start of the period	52,662	27,901	29	29
Reclassification to Liabilities Held for Sale	-	678	-	-
Tax paid	(52,327)	(31,458)	-	-
Withholding tax credit utilised	(2,203)	(1,861)	(17)	(22)
Minimum tax charge	14,584	8,282	36	21
Income tax charge	102,822	34,766	1	1
Effect of changes in exchange rate	7,025	14,354	-	-
At 31 December	122,563	52,662	49	29
Current	122,563	52,662	49	29

19 Cash and balances with central banks

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Cash	322,397	159,505	-	-
Balances with central banks excluding mandatory reserve deposits	348,758	304,387	-	-
	671,155	463,892	-	-
Mandatory reserve deposits with Central Banks	3,744,031	2,108,471	-	-
	4,415,186	2,572,363	-	-

Restricted deposits with central banks are not available for use in Group's day to day operations. First Bank of Nigeria Limited had restricted balances of ₦3,595 billion with Central Bank of Nigeria (CBN) as at 31 December 2024 (December 2023: ₦2,037 billion). This balance includes CBN cash reserve requirement and Special Intervention Reserve. First Bank Ghana and FirstBank Guinea also had restricted balances of ₦115.98 billion and ₦19.73 billion (December 2023: ₦29.15 billion and ₦16.23 billion) respectively with their respective central banks. The balance of ₦13.51 billion (December 2023: ₦7.40 billion) relates to restricted balances of other commercial banking group subsidiaries with their respective central banks.

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for the year ended 31 December 2024

20 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash in hand, deposits held at call with other banks and other short-term highly liquid investments with original maturities less than three months.

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Cash (Note 19)	**322,397**	159,505	**-**	-
Balances with central banks other than mandatory reserve deposits (Note 19)	**348,758**	304,387	**-**	-
Loans and advances to banks excluding long term placements (Note 21)	**3,280,758**	1,836,881	**23,269**	16,523
Treasury bills included in financial assets at FVTPL (Note 23)	**33,808**	4,202	**-**	-
Treasury bills and eligible bills excluding pledged treasury bills (Note 24.1&24.2)	**1,719,955**	377,611	**-**	-
	5,705,676	2,682,586	**23,269**	16,523

21 Loans and advances to banks

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Current balances with banks within Nigeria (i)	**517,647**	754,630	**2,067**	2,060
Current balances with banks outside Nigeria (ii)	**1,451,963**	805,817	**-**	-
Placements with banks and discount houses (iii)	**1,311,148**	276,434	**21,202**	14,463
	3,280,758	1,836,881	**23,269**	16,523
Long term placement/Cash collateral balance (iv)	**32,248**	257,660	**-**	-
Stage 1 : 12 month ECL on placements	**(10,526)**	(41,311)	**-**	-
Carrying amount	**3,302,480**	2,053,230	**23,269**	16,523

(i) The balances includes clearing balance with other deposit money banks. The FirstBank provides clearing services for some banks in Nigeria. The current balances with banks within Nigeria includes clearing exposures to banks (₦25.24billion) as at 31 December 2024. The Central Bank of Nigeria has undertaken that the Bank will suffer no financial loss on the outstanding balance.

(ii) These balances includes the sum of ₦33.6billion (2023: ₦253.3 billion) in respect of trade finance and other short term financing advanced to banks on the back of their letters of credit/trade related transactions. All other loans to banks within these balances are due within 3 months.

(iii) These are short term placements with banks and discount houses. These balances also includes the sum of ₦5.02billion (2023: ₦9.28billion) relating to unclaimed dividend fund.

(iv) These are long term placement/cash collateral balance which do not qualify as cash and cash equivalent.

Reconciliation of impairment account on loans and advances to banks

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
At start of year	(41,311)	(4,456)	-	-
Impairment writeback /(charge)	5,041	(36,105)	-	-
Effect of discontinued operations	56	-	-	-
Write off	28,594	-	-	-
Exchange difference	(2,906)	(750)	-	-
At end of year	(10,526)	(41,311)	-	-

22 Loans and advances to customers

GROUP

Corporate 31 December 2024	Gross Amount ₦'millions	Stage 1 12 months ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Total Impairment ₦'millions	Carrying Amount ₦'millions
Overdrafts	719,237	(981)	(41)	(57,203)	(58,225)	661,012
Term loans	7,812,627	(17,487)	(68,120)	(332,398)	(418,005)	7,394,622
Project finance	228,143	(979)	-	(4,909)	(5,888)	222,255
	8,760,007	(19,447)	(68,161)	(394,510)	(482,118)	8,277,889

Retail 31 December 2024	Gross Amount ₦'millions	Stage 1 12 months ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Total Impairment ₦'millions	Carrying Amount ₦'millions
Overdrafts	41,182	(864)	(59)	(1,543)	(2,466)	38,716
Term loans	191,451	(3,805)	(110)	(4,481)	(8,396)	183,055
Credit cards	4,302	(162)	(1)	(123)	(286)	4,016
Mortgage	266,011	(834)	(119)	(846)	(1,799)	264,212
	502,946	(5,665)	(289)	(6,993)	(12,947)	489,999
Total Loans and advances to customers	9,262,953	(25,112)	(68,450)	(401,503)	(495,065)	8,767,888

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GROUP

Corporate 31 December 2023	Gross Amount ₦'millions	Stage 1 12 months ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Total Impairment ₦'millions	Carrying Amount ₦'millions
Overdrafts	817,712	(779)	(59,991)	(3,276)	(64,046)	753,666
Term loans	4,952,996	(12,526)	(71,654)	(53,850)	(138,030)	4,814,966
Project finance	468,124	(82)	-	(68,006)	(68,088)	400,036
	6,238,832	(13,387)	(131,645)	(125,132)	(270,164)	5,968,668

Retail 31 December 2023	Gross Amount ₦'millions	Stage 1 12 months ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Total Impairment ₦'millions	Carrying Amount ₦'millions
Overdrafts	45,228	(229)	(57)	(812)	(1,098)	44,130
Term loans	212,937	(1,336)	(95)	(1,128)	(2,559)	210,378
Credit cards	3,073	(12)	-	(34)	(46)	3,027
Mortgage	133,763	(489)	(38)	(145)	(672)	133,091
	395,001	(2,066)	(190)	(2,119)	(4,375)	390,626
Total Loans and advances to customers	6,633,833	(15,453)	(131,835)	(127,251)	(274,539)	6,359,294

COMPANY

31 December 2024	Gross Amount ₦'millions	Stage 1 12 months ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Total Impairment ₦'millions	Carrying Amount ₦'millions
Term loans	**178**	**-**	**-**	**-**	**-**	**178**
	178	**-**	**-**	**-**	**-**	**178**

31 December 2024	Gross Amount ₦'millions	Stage 1 12 months ECL ₦'millions	Stage 2 Lifetime ECL ₦'millions	Stage 3 Lifetime ECL ₦'millions	Total Impairment ₦'millions	Carrying Amount ₦'millions
Term loans	269	-	-	-	-	269
	269	-	-	-	-	269

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Current	**4,923,010**	4,236,169	**114**	12
Non-current	**3,844,878**	2,123,125	**64**	257
	8,767,888	6,359,294	**178**	269

Reconciliation of impairment allowance on loans and advances to customers:

GROUP

	Corporate ₦'millions	Retail ₦'millions	Total ₦'millions
At 1 January 2024			
12 months ECL- Stage 1	13,200	2,066	15,266
Life time ECL not credit impaired - Stage 2	131,645	190	131,835
Life time ECL credit impaired - Stage 3	125,132	2,119	127,251
	269,977	4,375	274,352
Additional allowance			
12 months ECL- Stage 1	2,833	3,578	6,411
Life time ECL not credit impaired - Stage 2	(64,552)	226	(64,326)
Life time ECL credit impaired - Stage 3	424,876	4,083	428,959
	363,157	7,887	371,044
Transfer between stages			
Life time ECL not credit impaired - Stage 2	(1)	-	(1)
Life time ECL credit impaired - Stage 3	1	-	1
Exchange difference			
12 months ECL- Stage 1	3,414	21	3,435
Life time ECL not credit impaired - Stage 2	1,069	(127)	942
Life time ECL credit impaired - Stage 3	35,604	1,189	36,793
Loan write off			
Life time ECL credit impaired - Stage 3	(191,103)	(398)	(191,501)
At 31 December 2024	482,118	12,947	495,065
12 months ECL- Stage 1	19,447	5,665	25,112
Life time ECL not credit impaired - Stage 2	68,161	289	68,450
Life time ECL credit impaired - Stage 3	394,510	6,993	401,503
At 31 December 2024	482,118	12,947	495,065

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Reconciliation of impairment allowance on loans and advances to customers:

GROUP

	Corporate ₦'millions	Retail ₦'millions	Total ₦'millions
At 1 January 2023			
12 months ECL- Stage 1	9,454	1,655	11,109
Life time ECL not credit impaired - Stage 2	47,911	70	47,981
Life time ECL credit impaired - Stage 3	79,313	1,745	81,058
	136,678	3,470	140,148
Additional allowance			
12 months ECL- Stage 1	3,634	1	3,635
Life time ECL not credit impaired - Stage 2	84,499	128	84,627
Life time ECL credit impaired - Stage 3	84,996	1,410	86,406
	173,129	1,539	174,668
Transfer between stages			
12 months ECL- Stage 1	(9,000)	(138)	(9,138)
Life time ECL not credit impaired - Stage 2	2,768	-	2,768
Life time ECL credit impaired - Stage 3	6,232	138	6,370
Exchange difference			
12 months ECL- Stage 1	9,112	548	9,660
Life time ECL not credit impaired - Stage 2	(3,533)	(8)	(3,541)
Life time ECL credit impaired - Stage 3	6,805	(265)	6,539
Loan write off			
Life time ECL credit impaired - Stage 3	(52,214)	(909)	(53,123)
At 31 December 2023	269,977	4,375	274,351
12 months ECL- Stage 1	13,200	2,066	15,266
Life time ECL not credit impaired - Stage 2	131,645	190	131,835
Life time ECL credit impaired - Stage 3	125,132	2,119	127,250
At 31 December 2023	269,977	4,375	274,351

Nature of security in respect of loans and advances:

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Legal Mortgage/Debenture On Business Premises, Factory Assets Or Real Estates	**7,386,051**	4,061,438	**-**	-
Guarantee/Receivables Of Investment Grade Banks & State Govt.	**392,005**	596,335	**-**	-
Domiciliation of receivables	**436,746**	831,530	**-**	-
Clean/Negative Pledge	**123,522**	117,998	**-**	-
Marketable Securities/Shares	**16,945**	14,064	**-**	-
Otherwise Secured	**37,689**	90,639	**178**	269
Cash/Government Securities	**869,928**	921,821	**-**	-
Unsecured	**67**	8	**-**	-
	9,262,953	6,633,833	**178**	269

The Group is not permitted to sell or repledge the collateral in the absence of default by the owner of the collateral.

23 Financial assets and liabilities at fair value through profit or loss

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Treasury bills with maturity of less than 90 days	**33,808**	4,202	**-**	-
Treasury bills with maturity over 90 days	**56,235**	28,094	**-**	-
Bonds	**58,694**	16,335	**-**	-
Total debt securities	**148,737**	48,631	**-**	-
Listed equity securities	**10,207**	12,511	**-**	-
Unlisted equity securities	**102,530**	67,140	**-**	504
Total equity securities	**112,737**	79,651	**-**	504
Derivative assets (refer note 23b)	**182,093**	620,503	**-**	-
Total assets at fair value through profit or loss	**443,567**	748,785	**-**	504
Current	**434,242**	671,322	**-**	504
Non Current	**9,325**	77,463	**-**	-
	443,567	748,785	**-**	504

Derivatives are only used for economic hedging purposes and not as speculative investments. However, existing derivatives do not meet the hedge accounting criteria, and are therefore classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss.

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a Financial liabilities at FVTPL

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Debt securities				
Treasury bills with maturity over 90 days	-	50,862	-	-
Total debt securities	-	50,862	-	-
Derivative liabilities (Note 23b(i)	50,256	92,608	-	-
Total liabilities at FVTPL	50,256	143,470	-	-

b(i) Derivatives

Group	31 December 2024		
	Notional contract amount ₦'millions	Fair values Asset ₦'millions	Liability ₦'millions
Foreign exchange derivatives			
Forward FX contract	743,446	22,809	25,015
FX Futures	548,287	-	21,996
Currency swap	943,239	155,371	-
Put options	229,532	3,913	3,245
	2,464,504	182,093	50,256
Current	2,464,504	182,093	50,256
Non Current	-	-	-
	2,464,504	182,093	50,256

Group	31 December 2023		
	Notional contract amount ₦'millions	Fair values Asset ₦'millions	Liability ₦'millions
Foreign exchange derivatives			
Forward FX contract	622,453	27,536	17,348
FX Futures	307,656	73,239	73,239
Currency swap	1,327,456	519,721	2,014
Put options	28,554	7	7
	2,286,119	620,503	92,608
Current	2,286,119	620,503	92,608
Non Current	-	-	-
	2,286,119	620,503	92,608

24 Investment Securities

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Investment securities at FVOCI (Note 24.1)	**4,471,687**	1,330,161	**14,504**	6,959
Investment securities at amortised (Note 24.3)	**2,064,708**	1,467,459	**-**	-
	6,536,395	2,797,620	**14,504**	6,959

24.1 Investment securities at FVOCI

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Debt securities – at fair value:				
– Treasury bills with maturity of less than 90 days	**1,520,715**	233,707	**-**	-
– Treasury bills with maturity of more than 90 days	**1,186,437**	312,207	**8,412**	3,864
– Government bonds	**1,307,812**	480,561	**6,092**	3,095
– Other bonds	**99**	410	**-**	
Total debt securities classified as FVOCI	**4,015,063**	1,026,885	**14,504**	6,959
Equity securities:				
– Listed	**15,910**	705	**-**	-
– Unlisted (Note 24.2)	**440,714**	302,571	**-**	-
Total equity securities classified as FVOCI	**456,624**	303,276	**-**	-
Total securities classified as FVOCI	**4,471,687**	1,330,161	**14,504**	6,959
Current	**3,159,223**	842,089	**8,513**	3,928
Non current	**1,312,464**	488,072	**5,991**	3,031
	4,471,687	1,330,161	**14,504**	6,959

Reconciliation of impairment on investment securities at FVOCI

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
At start of year	**9,989**	1,881	**-**	-
(Writeback)/Charge	**(1,574)**	9,195	**-**	-
Reclassification to retained earnings	**3,896**	(1,087)	**-**	-
At end of year	**12,311**	9,989	**-**	-

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for the year ended 31 December 2024

24.2 Analysis of Unlisted Equity Investments:

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Unlisted Equity Investments:				
NIBSS Plc	**13,187**	13,808	**-**	-
AFREXIM Bank Limited	**7,916**	2,793	**-**	-
Africa Finance Corporation	**398,732**	259,589	**-**	-
Unified Payment Systems Limited	**13,196**	11,877	**-**	-
CRC Credit Bureau Limited	**1,155**	1,222	**-**	-
FMDQ OTC Securities Exchange	**2,426**	3,584	**-**	-
Anchorage Leisures Limited	**153**	140	**-**	-
JDI Investments Company Limited (JDI)	**29**	286	**-**	-
Capital Alliance Private Equity Fund (CAPE)	**3,203**	3,507	**-**	-
FBN Heritage Fund	**162**	137	**-**	-
ARADEL	**-**	643		
Food Concept	**84**	97		
NASD PLc	**32**	28		
Mutual Funds	**389**	4,860	**-**	-
	440,664	302,571	**-**	-
Other Unlisted Equity Investments:				
SANEF Investment Scheme	**50**	-	**-**	-
Total Unlisted Equities	**440,714**	302,571	**-**	-

24.3 Investment securities at amortised cost

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Debt securities – at amortised cost:				
– Treasury bills with maturity of less than 90 days	**199,240**	143,904	**-**	-
– Treasury bills with maturity of more than 90 days	**210,646**	382,575	**-**	-
– Bonds	**1,667,840**	955,790	**-**	-
Impairment on Amortised Cost securities				
- Stage 1: 12- month ECL	**(13,018)**	(14,810)	**-**	-
Total securities at amortised cost	**2,064,708**	1,467,459	**-**	-
Current	**414,330**	544,935	**-**	-
Non Current	**1,650,378**	922,524	**-**	-
	2,064,708	1,467,459	**-**	-
Total investment securities	**6,536,395**	2,797,620	**14,504**	6,959

Reconciliation of impairment on investment securities at amortised cost

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
At start of year	**14,810**	7,449	**-**	-
Impairment writeback	**(20)**	(245)	**-**	-
Exchange difference	**(1,772)**	7,606	**-**	-
At end of year	**13,018**	14,810	**-**	-

25 Asset pledged as collateral

The assets pledged by the group are strictly for the purpose of providing collateral to the counterparty. To the extent that the counterparty is not permitted to sell and/or repledge the assets in the absence of default, they are classified in the statement of financial position as pledged assets. These transactions are conducted under terms that are usual and customary to standard securities borrowing and lending activities.

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

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Debt securities at FVOCI (note 25.1)	**822,897**	1,456,183
Debt securities at amortised cost (note 25.2)	**246,328**	62,911
	1,069,225	1,519,094

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for the year ended 31 December 2024

25.1 Debt securities at FVOCI

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
– Treasury bills	**323,360**	976,879
– Bonds	**499,537**	479,304
	822,897	1,456,183

25.2 Debt securities at amortized cost

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
– Treasury bills	**-**	-
– Bonds	**246,328**	62,911
	246,328	62,911

25.3 Debt securities at FVTPL

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
– Treasury bills	**-**	-
	-	-

The related liability for assets held as collateral include:

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Bank of Industry	**23,163**	12,819
Central Bank of Nigeria/Commercial Agriculture Credit Scheme Intervention fund	**102,684**	19,354
Due to Other Banks	**764,782**	1,005,742

The assets pledged as collateral include assets pledged to third parties under secured takings and borrowings with the related liability disclosed above. Included in pledged assets are assets pledged as collateral or security deposits to clearing house and payment agencies of ₦72bn for the group in December 2024 (2023: ₦57bn) for which there is no related liability.

	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions
Current	323,360	976,879
Non current	745,865	542,215
	1,069,225	1,519,094

All assets pledged as collateral are Stage 1 assets

26 Other assets

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Financial assets:				
Other receivables	209,331	6,918	-	-
Accounts receivable (Note (i))	829,554	481,904	22,521	17,144
	1,038,885	488,822	22,521	17,144
Impairment on other assets - Simplified Approach	(56,787)	(15,937)	-	-
	982,098	472,885	22,521	17,144
Non financial assets:				
Stock of consumables	21,645	17,467	41	20
Inventory- repossessed collateral (Note (ii))	74,877	73,931	-	-
Prepayments	44,140	24,849	77	186
Deferred expenses	17,087	13,110.00	1,499	311.00
Impairment on non financial other assets	(127)	(1,315)	-	-
	157,622	128,042	1,617	517
Net other assets balance	1,139,720	600,927	24,138	17,661

(i) Accounts receivable includes cards receivables, receivables on matured foreign exchange forwards and Letters of Credit etc.

(ii) Inventory (repossessed collateral) of ₦74.8bn (2023: ₦73.9bn) comprises assets recovered from defaulted loan customers.

Total impairment on other assets

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Impairment on other assets - Simplified Approach	56,787	15,937	-	-
Impairment on non financial other assets	127	1,315	-	-
At end of year	56,914	17,252	-	-

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Reconciliation of impairment account

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
At start of year	**17,252**	33,220	**-**	-
Discontinued opereation	**(1,388)**	-	**-**	
Write off	**(223)**	(22,852)	**(3)**	-
Impairment charge	**43,769**	5,903	**3**	-
Exchange difference	**(2,496)**	981	**-**	-
At end of year	**56,914**	17,252	**-**	-

All other assets on the statement of financial position of the Group had a remaining period to contractual maturity of less than 12 months.

27 Investment in associates (equity method)

i Seawolf Oilfield Services Limited (SOSL)

First HoldCo Plc. holds 42% shareholding in Seawolf Oilfields Services Limited (SOSL). SOSL is a company incorporated in Nigeria and is involved in the oil and gas sector. SOSL has share capital consisting only of ordinary share capital which are held directly by the Group; the country of incorporation or registration is also their principal place of business. SOSL is not publicly traded and there is no published price information.

In 2014, Asset Management Corporation of Nigeria (AMCON), a major creditor of SOSL, appointed a receiver manager to take over the business. The investment has been fully impaired.

ii FBN Balanced Fund

FBN Balanced Fund (Formerly FBN Heritage Fund) is an open-ended Securities and Exchange Commission (SEC) registered mutual fund that invests in stocks, bonds, money market instruments, real estate and other securities in the Nigerian Capital Markets. The fund manager publishes daily unit price of the fund on the memorandum listing section of the Nigerian Exchange. The unit price of FBN Balanced Fund as at reporting date N322.58 (Cost: N100). FBN Balanced Fund's principal place of business is Nigeria while its principal activity is Fund management. The Group's ownership interest in the Fund is 28.23%.

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
FBN Balanced Fund		
Balance at beginning of year	**2,005**	1,185
Share of profit/ (loss)	**535**	820
At end of year	**2,540**	2,005

28 Investment in subsidiaries

28.1 Principal subsidiary undertakings

	Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
DIRECT SUBSIDIARIES OF FIRST HOLDCO PLC.		
First Bank of Nigeria Limited (Note 28 (i))	230,557	230,557
FirstCap Limited (Note 28 (ii))	5,812	5,812
First Insurance Brokers Limited (Note 28 (iii))	25	25
FBNQuest Merchant Bank Limited (Note 28 (iv))	17,206	17,206
First Trustees Limited (Note 28 (v))	4,521	4,521
First Securities Brokers Limited (Note 28 (vi)	289	-
First Asset Management Limited (Note 28 (vii))	1,228	-
	259,638	258,121
INDIRECT SUBSIDIARIES OF FIRST HOLDCO PLC.		
FBNQuest Funds Limited (Note 28 (viii))	4,550	4,550
	4,550	4,550
	264,188	262,671

All shares in subsidiary undertakings are ordinary shares. For the year ended 31 December 2024, the Group owned the total issued shares in all its subsidiary undertakings except New Villa Limited (Rainbow Town Development Limited) in which it owned 55%. There are no significant restrictions on any of the subsidiaries. All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company and the group do not differ from the proportion of ordinary shares held. The total non-controlling interest as at the end of the year ₦52.84 billion (2023: ₦28.44 billion).

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Subsidiary	Principal activity	Country of incorporation	Proportion of shares held directly by the parent/Group (%)	Statutory year end
First Bank of Nigeria Limited (Note 28 (i))	Banking	Nigeria	100	31 December
FirstCap Limited (Note 28 (ii))	Investment Banking & Funds Management	Nigeria	100	31 December
First Insurance Brokers Limited (Note 28 (iii))	Insurance Brokerage	Nigeria	100	31 December
FBNQuest Merchant Bank Limited (Note 28 (iv)	Merchant Banking & Asset Management	Nigeria	100	31 December
First Trustees Limited (Note 28 (v))	Trusteeship	Nigeria	100	31 December
First Securities Brokers Limited (Note 28 (vi)	Funds Management	Nigeria	100	31 December
First Asset Management Limited (Note 28 (vii))	Asset Management Services	Nigeria	100	31 December
FBNQuest Funds Limited (Note 28 (viii))	Investment Banking & Funds Management	Nigeria	100	31 December
New Villa Limited (Rainbow Town Development Limited) (Note 28 (ix))	Investment and General Trading	Nigeria	55	31 December

i First Bank of Nigeria Limited

The bank commenced operations in Nigeria in 1894 as a branch of Bank of British West Africa (BBWA), and was incorporated as a private limited liability company in Nigeria in 1969. The Bank was the parent company of the Group until 30 November 2012, when a business restructuring was effected in accordance with the directives of the Central Bank of Nigeria and First HoldCo Plc became the parent company of the Group.

ii FirstCap Limited

FirstCap Limited (formerly FBNQuest Capital Limited) is a private limited liability company incorporated in Nigeria and commenced operations on 1 April 2005. It is registered with the Securities and Exchange Commission (SEC) to undertake issuing house business. It is also involved in the business of financial advisory.

iii First Insurance Brokers Limited

The company was incorporated under the Companies and Allied Matters Act, as a limited liability company on 31 March 1994 with the name 'Trust Link Insurance Brokers Limited'. The company prepared financial statements up to 31 March 1998 after which it became dormant. The company was resuscitated on 1 April 2000 as FBN Insurance Brokers Limited. The principal activity of the company is insurance brokerage business.

iv FBNQuest Merchant Bank Limited

The Company was incorporated in Nigeria as a limited liability company on 14 February 1995 and was granted a license to carry on the business of a discount house and commenced operations on 16 November 1995. In 2015, the Company was transformed into a merchant bank. The Central Bank of Nigeria (CBN) license for merchant banking was obtained in May 2015 and while merchant banking operations commenced on 2 November 2015.

Following the decision and resolution of the Board of Directors to divest from FBNQuest Merchant Bank, the subsidiary has been classified as discontinued operations in line with IFRS 5. This divestment is subject to the approval of the Central Bank of Nigeria (CBN), Securities & Exchange Commission (SEC) and other regulatory agencies.

v First Trustees Limited

First Trustees Limited (formerly FBNQuest Trustees Limited) was incorporated in Nigeria as a limited liability company on 8 August 1979 and commenced business on 3 September 1979. The company was established to engage in the business of trusteeship as well as portfolio management, and financial/ investment advisory services.

vi First Securities Brokers Limited

First Securities Brokers Limited was incorporated as a private limited liability company on 23 July 1991 as Premium Securities Limited and engaged in the business of stock brokerage. It changed its name to FBN Securities Limited on 25 Februrary 2008 and approval obtained from the Corporate Affairs Commission (CAC) on 26 March, 2008. Furthermore, the CAC approval was equally granted on 25 October 2017 to change the name to FBNQuest Securities Limited.

The Boards of Directors of First HoldCo Plc and FBNQuest Merchant Bank Limited passed resolutions to transfer FBNQuest Securities Limited to First HoldCo Plc as a direct subsidiary in a business reorganisation exercise. The regulatory approval of the Central Bank of Nigeria was obtained for the business reorganisation.

vii First Asset Management Limited

The Company was incorporated on 8 September 2011 and commenced operations on 1 January 2013. It is registered with the Securities and Exchange Commission to undertake asset management business.

The Boards of Directors of First HoldCo Plc and FBNQuest Merchant Bank Limited passed resolutions to transfer First Asset Management Limited (FBNQuest Asset Management Limited) to First HoldCo Plc as a direct subsidiary in a business reorganisation exercise. The regulatory approval of the Central Bank of Nigeria has been obtained for the business reorganisation.

viii FBNQuest Funds Limited

FBNQuest Funds Limited (formerly FBN Funds Limited) was incorporated on 14 November 2002. It commenced operations on 1 April 2003. Its principal activities are to carry on venture capital and private equity business.

ix New Villa Limited (Rainbow Town Development Limited)

New Villa Limited is a special purpose vehicle incorporated on 28 November 2008. Its principal activities include real estate investments and general trading.

As at 31 December 2024, the recoverable amount of investment in Rainbow Town Development Limited was lower than the carrying amount. (Cost: ₦5billion; Total Impairment: ₦5billion).

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28.2 Condensed results of consolidated entities from continuing operations

31 December 2024	First HoldCo Plc. ₦'millions	First Bank Limited ₦'millions	FirstCap Limited ₦'millions	First Trustees Limited ₦'millions	First Asset Management Limited ₦'millions	First Securities Brokers Limited ₦'millions	FirstInsurance Brokers Limited ₦'millions	FBNQuest Merchant Bank Limited ₦'millions	Rainbow Town Development Limited ₦'millions	Total ₦'millions	Adjustments ₦'millions	Group ₦'millions
Summarized Income Statement												
Operating income	34,186	2,069,347	41,939	16,218	22,295	1,591	2,663	24,975	28,639	2,241,853	(85,467)	2,156,386
Operating expenses	(7,922)	(908,732)	(3,911)	(5,245)	(6,633)	(832)	(1,375)	(12,418)	(387)	(947,455)	13,295	(934,160)
Impairment charge for credit losses	(3)	(439,821)	(8,854)	(271)	(232)	(56)	(3)	345	-	(448,895)	22,601	(426,294)
Operating profit	26,261	720,794	29,174	10,702	15,430	703	1,285	12,902	28,252	845,503	(49,571)	795,932
Associate	-	-	535	-	-	-	-	-	-	535	-	535
Profit before tax	26,261	720,794	29,709	10,702	15,430	703	1,285	12,902	28,252	846,038	(49,571)	796,467
Tax	(37)	(121,507)	(7,269)	(3,579)	(10)	(169)	(463)	(1,533)	-	(134,567)	1,590	(132,977)
Profit/(Loss) for the year from continuing operations	26,224	599,287	22,440	7,123	15,420	534	822	11,369	28,252	711,471	(47,981)	663,490
Profit for the year from discontinued operations	-	-	-	-	-	-	-	-	-	-	13,515	13,515
Other comprehensive income	(635)	381,734	5,614	(3)	7	46	-	(1,097)	-	385,666	-	385,666
Total comprehensive income	25,589	981,021	28,054	7,120	15,427	580	822	10,272	28,252	1,097,137	(34,466)	1,062,671
Total comprehensive income allocated to non controlling interest	-	24,574	-	-	-	-	-	-	(174)	24,400	(16)	24,384
Summarized Financial Position												
Assets												
Cash and balances with central banks	-	4,415,185	-	1	-	-	-	29,007	-	4,444,193	(29,007)	4,415,186
Loans and advances to banks	23,269	3,262,096	22,316	3,778	7,156	4,002	1,925	190,771	96	3,515,409	(212,929)	3,302,480
Loans and advances to customers	178	8,767,270	99	41	161	115	24	124,394	-	8,892,282	(124,394)	8,767,888
Financial assets at fair value through profit or loss	-	330,830	105,447	-	7,114	176	-	34,594	-	478,161	(34,594)	443,567
Investment securities	14,504	6,245,520	248,625	20,052	6,928	766	-	94,845	-	6,631,240	(94,845)	6,536,395
Assets pledged as collateral	-	1,069,225	-	-	-	-	-	7,726	-	1,076,951	(7,726)	1,069,225
Other assets	24,138	1,007,366	66,175	1,941	5,893	(29)	158	4,355	43,471	1,153,468	(13,748)	1,139,720
Investments in associates accounted for using the equity method	-	-	2,684	-	-	-	-	-	-	2,684	(144)	2,540
Investment in subsidiaries	264,188	-	-	-	-	-	-	-	-	264,188	(264,188)	-
Property and equipment	545	220,166	414	565	360	54	60	2,900	4	225,068	(2,904)	222,164
Intangible assets	-	39,398	5	237	481	3	14	154	5	40,297	(159)	40,138
Deferred tax assets	-	53,364	-	-	-	342	-	9,114	-	62,820	(9,114)	53,706
Assets held for sale	-	-	-	-	-	-	-	-	-	-	531,209	531,209
	326,822	25,410,420	445,765	26,615	28,093	5,429	2,181	497,860	43,576	26,786,761	(262,543)	26,524,218
Financed by												
Deposits from banks	-	2,922,432	-	-	-	-	-	13,079	-	2,935,511	(13,079)	2,922,432
Deposits from customers	-	17,179,141	-	-	-	-	-	351,496	-	17,530,637	(359,947)	17,170,690
Financial liabilities at fair value through profit or loss	-	50,256	-	-	-	-	-	-	-	50,256	-	50,256
Financial liabilities at amortized cost	-	198,188	-	-	-	-	-	-	-	198,188	-	198,188
Current tax liabilities	49	116,677	2,971	2,246	1	169	450	1,679	6	124,248	(1,685)	122,563
Other liabilities	29,077	1,122,287	94,031	7,185	6,623	3,508	1,074	83,546	1,776	1,349,107	(109,982)	1,239,125
Borrowings	-	1,264,565	294,788	-	-	-	-	8,022	-	1,567,375	(8,022)	1,559,353
Retirement benefit obligations	-	8,640	-	-	-	-	-	-	-	8,640	-	8,640
Deferred tax liabilities	-	-	7,882	2,889	821	-	53	-	-	11,645	-	11,645
Liabilities held for sale	-	-	-	-	-	-	-	-	-	-	445,992	445,992
	29,126	22,862,186	399,672	12,320	7,445	3,677	1,577	457,822	1,782	23,775,607	(46,723)	23,728,884
Equity and reserves	297,696	2,548,234	46,093	14,295	20,648	1,752	604	40,038	41,794	3,011,154	(215,820)	2,795,334
Summarized Cash Flows												
Operating activities												
Interest received	4,796	1,823,068	25,739	5,667	77	483	225	43,101	-	1,903,156	(51,470)	1,851,686
Interest paid	-	(973,394)	(21,639)	-	-	-	-	(30,037)	-	(1,025,069)	30,307	(994,762)
Income tax paid	-	(49,564)	(837)	(1,364)	(277)	-	(320)	(96)	-	(52,458)	131	(52,327)
Cash flow generated from operations	435	4,263,565	(82,613)	97	7,158	882	762	179,113	288	4,369,688	(164,292)	4,205,396
Net cash generated from operating activities	5,231	5,063,675	(79,349)	4,400	6,958	1,365	667	192,082	288	5,195,317	(185,324)	5,009,993
Net cash used in investing activities	15,252	(1,583,862)	62,714	(910)	(3,476)	609	(33)	(26,618)	-	(1,536,324)	(44,590)	(1,580,914)
Net cash used in financing activities	(14,358)	(464,774)	639	(2,500)	(4,941)	-	(600)	(16,764)	-	(503,298)	40,070	(463,228)
Increase in cash and cash equivalents	6,125	3,015,040	(15,996)	990	(1,459)	1,974	34	148,699	288	3,155,695	(189,844)	2,965,851
Cash and cash equivalents at start of year	16,523	2,039,825	14,955	(8,279)	8,615	(5)	2,355	36,721	(192)	2,110,518	572,068	2,682,586
Effect of exchange rate fluctuations on cash held	621	41,230	13,543	1,598	-	(5)	-	5,574	-	62,561	(5,322)	57,239
Cash and cash equivalents at end of year	23,269	5,096,095	12,501	(5,691)	7,155	1,964	2,389	190,995	96	5,328,774	376,902	5,705,676

28.2 Condensed results of consolidated entities from continuing operations

31 December 2023	First HoldCo Plc. ₦'millions	FirstBank Limited ₦'millions	FirstCap Limited ₦'millions	First Trustees Limited ₦'millions	FBNQuest Merchant Bank Limited ₦'millions	FirstInsurance Brokers Limited ₦'millions	Rainbow Town Development Limited ₦'millions	Total ₦'millions	Adjustments ₦'millions	Group ₦'millions
Summarized Income Statement										
Operating income	21,014	1,082,460	24,257	11,798	26,250	1,835	(89)	1,167,525	(30,222)	1,137,303
Operating expenses	(5,822)	(540,016)	(2,012)	(3,068)	(12,910)	(832)	(112)	(564,772)	7,745	(557,027)
Impairment charge for credit losses	-	(225,271)	(6,573)	(75)	(2,626)	-	-	(234,545)	9,597	(224,948)
Operating profit	15,192	317,173	15,672	8,655	10,714	1,003	(201)	368,208	(12,880)	355,328
Associate	-	-	820	-	-	-	-	820	-	820
Profit before tax	15,192	317,173	16,492	8,655	10,714	1,003	(201)	369,028	(12,880)	356,148
Tax	(22)	(38,082)	(3,541)	(2,888)	(3,513)	(347)	-	(48,393)	678	(47,715)
Profit/(Loss) for the year from continuing operations	15,170	279,091	12,951	5,767	7,201	656	(201)	320,635	(12,202)	308,433
Profit for the year from discontinued operations	-	-	-	-	-	-	-	-	1,937	1,937
Other comprehensive income	185	457,369	580	3,986	(3,281)	18	-	458,857	-	458,857
Total comprehensive income	15,355	736,460	13,531	9,753	3,920	674	(201)	779,492	(10,265)	769,227
Total comprehensive income allocated to non controlling interest	-	16,382	-	-	-	-	(51)	16,331	-	16,331
Summarized Financial Position										
Assets										
Cash and balances with central bank	-	2,498,411	-	-	73,952	-	-	2,572,363	-	2,572,363
Loans and advances to banks	16,523	1,987,344	25,036	4,649	45,577	1,639	3	2,080,771	(27,541)	2,053,230
Loans and advances to customers	269	6,274,493	43	10	105,978	19	-	6,380,812	(21,519)	6,359,294
Financial assets at fair value through profit or loss	504	664,807	75,946	-	7,528	-	-	748,785	-	748,785
Investment securities	6,959	2,537,342	173,165	13,100	67,054	-	-	2,797,620	-	2,797,620
Assets pledged as collateral	-	1,478,494	-	-	40,600	-	-	1,519,094	-	1,519,094
Other assets	17,661	563,285	10,594	1,874	7,585	62	42,767	643,828	(42,901)	600,927
Investment in associates accounted for using the equity method	-	-	2,149	-	-	-	-	2,149	(144)	2,005
Investment in subsidiaries	262,671	-	-	-	-	-	-	262,671	(262,671)	-
Property, plant and equipment	948	156,879	96	198	3,114	93	4	161,332	345	161,677
Intangible assets	-	33,338	8	37	165	9	5	33,562	(5)	33,557
Deferred tax assets	-	45,175	1,265	-	9,455	-	-	55,895	-	55,895
Assets held for sale	-	856	-	-	-	-	-	856	32,381	33,237
	305,535	16,240,424	288,302	19,868	361,008	1,822	42,779	17,259,738	(322,054)	16,937,684
Financed by										
Deposits from banks	-	1,753,150	-	-	50,032	-	-	1,803,182	-	1,803,182
Deposits from customers	-	10,473,258	-	-	217,626	-	-	10,690,884	(27,538)	10,663,346
Financial liabilities at fair value through profit or loss	-	141,978	1,492	-	-	-	-	143,470	-	143,470
Current income tax liability	29	46,091	1,822	1,622	2,791	307	6	52,668	(6)	52,662
Other liabilities	19,041	1,170,708	59,332	4,115	24,797	1,074	1,776	1,280,843	(19,010)	1,261,833
Borrowings	-	1,031,533	194,530	-	24,764	-	28,638	1,279,465	(28,638)	1,250,827
Retirement benefit obligations	-	8,036	-	-	-	-	-	8,036	-	8,036
Deferred tax liabilities	-	-	3,106	1,543	821	54	-	5,524	-	5,524
Liabilities held for sale	-	-	-	-	-	-	-	-	1,783	1,783
	19,070	14,624,754	260,282	7,280	320,831	1,435	30,420	15,264,072	(73,409)	15,190,663
Equity and reserves	286,465	1,615,670	28,020	12,588	40,177	387	12,359	1,995,666	(248,645)	1,747,021
Summarized Cash Flows										
Operating activities										
Interest received	3,447	1,229,040	10,191	3,560	24,498	103	-	1,270,839	(491)	1,269,409
Interest paid	-	(312,052)	(12,576)	(9,012)	(16,556)	-	-	(350,196)	21,076	(329,120)
Income tax paid	-	(28,466)	(638)	(702)	(1,457)	(194)	-	(31,457)	0	(31,458)
Cash flow generated from operations	(3,397)	355,629	15,492	7,728	49,651	774	-	425,877	(172,504)	256,281
Net cash generated from operating activities	50	1,244,152	12,470	1,573	56,136	683	-	1,315,063	(151,920)	1,165,112
Net cash used in investing activities	15,732	(257,565)	6,420	(2,302)	(44,659)	33	-	(282,340)	(34,732)	(319,041)
Net cash used in financing activities	(17,947)	(126,781)	(34,573)	(1,552)	(27,917)	(450)	-	(209,220)	173,879	(35,341)
Increase in cash and cash equivalents	(2,165)	859,806	(15,683)	(2,281)	(16,440)	266	-	823,503	(12,773)	810,730
Cash and cash equivalents at start of year	18,331	1,190,167	17,974	(7,966)	(44,483)	2,089	(192)	1,175,920	686,531	1,862,451
Effect of exchange rate fluctuations on cash held	357	(10,148)	12,664	1,968	4,313	-	-	9,154	251	9,405
Cash and cash equivalents at end of year	16,523	2,039,825	14,955	(8,279)	(56,610)	2,355	(192)	2,008,576	674,010	2,682,586

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29 Asset Held for Sale

Discontinued operations:

The assets classified as held for sale are Rainbow Town Development Limited and FBNQuest Merchant Bank Limited.

(i) Rainbow Town Development Limited

The assets and liabilities of Rainbow Town Development Limited (RTDL) were classified as held for sale following the decision and resolution of the Board of Directors of First HoldCo Plc. in October 2016 to dispose the Group's interest in RTDL. The carrying amount of the investment is expected to be recovered principally by a sale rather than through continuing use.

The operating results and net cash flows are separately presented in the income statement and statement of cash flows respectively because the disposal group represents a separate line of business within the Group, and as such meets the definition of discontinued operation.

(ii) FBNQuest Merchant Bank Limited

Following the decision and resolution of the Board of Directors of First HoldCo Plc, the Group has commenced the transaction and regulatory approval process to dispose its investment in FBNQuest Merchant Bank Limited. The carrying amount of the investment is expected to be recovered from the sale rather than through continuing use.

The operating results are separately presented in the income statement because the disposal group represents a separate line of business within the Group, and as such meets the definition of discontinued operations.

29.1 The carrying amount of the assets and liabilties of the disposal group classified as held for sale are as listed below.

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Assets classified as held for sale		
Cash and balances with central banks	29,007	-
Loans and advances to banks	190,867	-
Loans and advances to customers	124,394	-
Financial assets at fair value through profit or loss	34,594	-
Investment securities	94,845	-
Asset pledged as collateral	7,726	-
Other assets	5,370	-
Inventory	31,880	32,371
Property, plant and equipment	3,253	5
Intangible assets	159	5
Deferred tax assets	9,114	-
	531,209	32,381
Liabilities classified as held for sale		
Deposits from banks	13,079	-
Deposits from customers	337,884	-
Current tax liabilities	1,685	6
Other liabilities	85,322	1,777
Borrowings	8,022	-
	445,992	1,783
Net Asset	85,217	30,598

29.2 The operating results of the discontinued operations are as follows.

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Revenue	63,076	33,482
Expenses	(48,028)	(30,867)
Profit before tax from discontinuing operations	15,048	2,615
Income tax expense	(1,533)	(678)
Profit from discontinued operations after tax	13,515	1,937
Profit from discontinued operations is attributable to:		
Owners of the parent	13,689	1,987
Non-controlling interests	(174)	(50)
	13,515	1,937

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The cash flows of the discontinued operations are as follows.

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Net cash flow from operating activities	(8,240)	-
Net cash flow used in investing activities	(2,055)	(284)
Net cash flow used in financing activities	8,022	-
	(2,273)	(284)

29.3 Non current asset held for sale

The property which FirstBank Senegal previously classified as asset held for sale was disposed in the financal year.

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Property, plant and equipment	-	856
Total Assets classified as held for sale	531,209	33,237

30 Property and equipment

GROUP	Improvement & buildings ₦'millions	Land ₦'millions	Motor vehicles ₦'millions	Office equipment ₦'millions	Computer equipment ₦'millions	Furniture & fittings ₦'millions	Machinery ₦'millions	Work in progress* ₦'millions	Right of Use Asset ₦'millions	Total ₦'millions
Cost										
At 1 January 2024	66,404	34,038	31,992	70,670	64,756	11,567	1,140	14,863	32,673	328,103
Additions	4,068	716	20,074	14,052	30,994	3,575	264	8,512	12,746	95,001
Reclassifications	1,776	-	-	(88)	30	-	-	(1,841)	-	(123)
Transfers	802	-	212	661	-	52	-	(1,727)	-	-
Disposals	-	-	(5,029)	(3,097)	(125)	(209)	(1,158)	(6,275)	(3,193)	(19,086)
Write Offs	(1,526)	-	(166)	(817)	(815)	(226)	-	(24)	-	(3,574)
Exchange difference	9,221	2,627	5,146	4,581	9,681	1,597	711	(3,066)	17,964	48,462
Reclassification to asset held for sale	(1,712)	(200)	(1,215)	(175)	(1,338)	(182)	-	(520)	(46)	(5,388)
At 31 December 2024	79,033	37,181	51,014	85,787	103,183	16,174	957	9,922	60,144	443,395
Accumulated depreciation										
At 1 January 2024	23,970	2,749	20,367	50,832	41,337	8,901	670	-	17,603	166,429
Charge for the year	3,355	(1,234)	7,953	8,669	17,430	1,192	231	-	6,788	44,384
Reclassifications	-	-	-	-	-	-	-	-	(38)	(38)
Disposals	(56)	-	(3,781)	(1,693)	(132)	(565)	(225)	-	(3,130)	(9,582)
Write Offs	(1,526)	-	(166)	(817)	(815)	(226)	-	-	-	(3,550)
Exchange differences	5,222	(1,534)	4,285	2,848	4,535	1,325	498	-	8,812	25,991
Reclassification to asset held for sale	(324)	-	(972)	(81)	(853)	(127)	-	-	(46)	(2,403)
At 31 December 2024	30,641	(19)	27,686	59,758	61,502	10,500	1,174	-	29,989	221,231
Net book amount at 31 December 2024	48,392	37,200	23,328	26,029	41,681	5,674	(217)	9,922	30,155	222,164
Cost										
At 1 January 2023	48,346	26,549	19,958	57,730	48,633	9,895	439	13,294	22,031	246,877
Additions	2,420	33	6,072	10,013	12,563	324	316	8,557	3,339	43,637
Reclassifications	4,861	423	54	101	1,827	158	28	(6,775)	-	677
Transfers	-	-	-	-	1,661	-	-	(1,661)	-	-
Disposals	(61)	(721)	(2,495)	(269)	(2,227)	(40)	-	(75)	(203)	(6,091)
Write Offs	(25)	-	-	-	(857)	(524)	-	-	-	(1,406)
Exchange difference	10,863	7,754	8,403	3,095	3,156	1,754	357	1,523	7,506	44,411
At 31 December 2023	66,404	34,038	31,992	70,670	64,756	11,567	1,140	14,863	32,673	328,105
Accumulated depreciation										
At 1 January 2023	15,254	836	10,969	41,347	34,386	8,255	295	-	10,370	121,711
Charge for the year	1,764	24	4,706	6,722	9,479	931	166	-	5,261	29,053
Reclassifications	41	-	223	12	123	7	-	-	21	427
Disposals	(12)	(182)	(1,791)	(268)	(2,221)	(37)	-	-	(180)	(4,691)
Write Offs	(25)	-	-	-	(857)	(524)	-	-	-	(1,406)
Exchange differences	6,948	2,071	6,260	3,019	427	269	209	-	2,131	21,334
At 31 December 2023	23,970	2,749	20,367	50,832	41,337	8,901	670	-	17,603	166,428
Net book amount at 31 December 2023	42,434	31,289	11,625	19,838	23,419	2,666	470	14,863	15,070	161,677

* Work in progress refers to capital expenditures incurred on items of property and equipment which are however not ready for use and as such are not being depreciated.

No capitalised borrowing cost relates to the acquisition of property, plant and equipment during the year.

Right of Use Asset

See note 30b for additional disclosure on right of use assets

i These exchange difference on PPE occured as a result of translation of balances relating to the foreign entities of the group as at reporting date.
ii There were no impairment losses on any class of property and equipment during the year. (31 December 2023: Nil)
iii There were no capitalized borrowing cost related to acquisition of property and equipment during the year. (31 December 2023: Nil)
iv There were no liens or encumbrances on assets as at the year end. No assets have been pledged as security for borrowing. (31 December 2023: Nil)
v There were no capital commitments as at year end. (31 December 2023: Nil)

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30 Property and equipment

COMPANY	Improvement & buildings ₦'millions	Land ₦'millions	Motor vehicles ₦'millions	Office equipment ₦'millions	Computer equipment ₦'millions	Furniture & fittings ₦'millions	Machinery ₦'millions	Work in progress* ₦'millions	Right of Use Asset ₦'millions	Total ₦'millions
Cost										
At 1 January 2024	615	-	1,468	458	65	422	75	-	108	3,211
Additions	-	-	138	-	13	1	-	-	23	175
Disposal	-	-	(500)	-	(1)	-	-	-	-	(501)
At 31 December 2024	615	-	1,106	458	77	423	75	-	131	2,885
Accumulated depreciation										
At 1 January 2024	615	-	629	455	43	422	59	-	40	2,263
Charge for the year	-	-	314	2	13	1	7	-	33	370
Disposal	-	-	(293)	-	-	-	-	-	-	(293)
At 31 December 2024	615	-	650	457	56	423	66	-	73	2,340
Net book amount at 31 December 2024	-	-	456	1	21	-	9	-	58	545
Cost										
At 1 January 2023	615	-	995	457	54	422	64	-	264	2,871
Additions	-	-	558	1	14	-	11	-	-	584
Disposal	-	-	(85)	-	(3)	-	-	-	(156)	(244)
At 31 December 2023	615	-	1,468	458	65	422	75	-	108	3,211
Accumulated depreciation										
At 1 January 2023	615	-	410	453	33	421	52	-	169	2,153
Charge for the year	-	-	277	2	12	1	7	-	27	326
Disposal	-	-	(58)	-	(2)	-	-	-	(156)	(216)
At 31 December 2023	615	-	629	455	43	422	59	-	40	2,263
Net book amount at 31 December 2023	-	-	839	3	22	-	16	-	68	948

i There were no impairment losses on any class of property and equipment during the year. (31 December 2023: Nil)

ii There were no capitalized borrowing cost related to acquisition of property and equipment during the year. (31 December 2023: Nil)

iii There were no liens or encumbrances on assets as at the year end. No assets have been pledged as security for borrowing. (31 December 2023: Nil)

iv There were no capital commitments as at year end. (31 December 2023: Nil)

30b) Leases

This note provides information for leases where the Group is a lessee.

(i) Right-of-use assets

	Group			Company	
	Buildings ₦'millions	Land ₦'millions	Total ₦'millions	Buildings ₦'millions	Total ₦'millions
Opening balance at 1 January 2024	32,384	289	32,673	108	108
Additions for the year	12,746	-	12,746	23	23
Derecognition	(3,193)	-	(3,193)	-	-
Exchange difference	17,964	-	17,964	-	-
Reclassification to asset held for sale	(46)	-	(46)	-	-
Closing balance as at 31 December 2024	59,855	289	60,144	131	131
Depreciation					
Opening balance at 1 January 2024	17,527	76	17,603	40	40
Charge for the year	6,788	-	6,788	33	33
Exchange difference	8,812	-	8,812	-	-
Derecognition	(3,130)	-	(3,130)	-	-
Reclassification to asset held for sale	(46)	-	(46)	-	-
Closing balance as at 31 December 2024	29,951	76	30,027	73	73
Net book value as at 31 December 2024	29,904	213	30,117	58	58

	Group			Company	
	Buildings ₦'millions	Land ₦'millions	Total ₦'millions	Buildings ₦'millions	Total ₦'millions
Opening balance at 1 January 2023	21,742	289	22,031	264	264
Additions for the year	3,339	-	3,339	-	-
Derecognition	(203)	-	(203)	(156)	(156)
Exchange difference	7,506	-	7,506	-	-
Closing balance as at 31 December 2023	32,384	289	32,673	108	108
Depreciation					
Opening balance at 1 January 2023	10,294	76	10,370	169	169
Charge for the year	5,261	-	5,261	27	27
Exchange difference	2,131	-	2,131	-	-
Derecognition	(180)	-	(180)	(156)	(156)
Reclassification	21	-	21	-	-
Closing balance as at 31 December 2023	17,527	76	17,603	40	40
Net book value as at 31 December 2023	14,857	213	15,070	68	68

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(ii) **Lease liabilities**

	Group ₦'millions	Company ₦'millions
Opening balance at 1 January 2024	**14,379**	**57**
Additions	**3,391**	**23**
Interest expense	**1,841**	**8**
Principal paid	**(1,549)**	**-**
Interest expense paid	**(2,407)**	**-**
Reversal	**(15)**	**-**
Exchange difference	**4,491**	**-**
Closing balance as at 31 December 2024	**20,131**	**88**
Current lease liabilities	**2,734**	**88**
Non-current lease liabilities	**17,397**	**-**
	20,131	**88**

	Group ₦'millions	Company ₦'millions
Opening balance at 1 January 2023	8,297	125
Additions	7,113	-
Interest expense	896	6
Principal paid	(2,827)	-
Interest expense paid	(1,106)	-
Reversal	(97)	(74)
Exchange difference	2,103	-
Closing balance as at 31 December 2023	14,379	57
Current lease liabilities	1,398	57
Non-current lease liabilities	12,981	-
	14,379	57

(iii) **Amounts recognised in the statement of profit or loss**

	Group ₦'millions	Company ₦'millions
31 December 2024		
Depreciation charge of right-of-use assets	**6,788**	**33**
Interest expense	**1,841**	**8**

	Group ₦'millions	Company ₦'millions
31 December 2023		
Depreciation charge of right-of-use assets	5,261	27
Interest expense	896	6

(iv) **Amounts recognised in the statement of cashflow**

	Group ₦'millions	Company ₦'millions
31 December 2024		
Principal paid	1,549	-
Interest expense paid	2,407	-
	3,956	-

	Group ₦'millions	Company ₦'millions
31 December 2023		
Principal paid	2,827	-
Interest expense paid	1,106	-
	3,933	-

Liquidity risk (maturity analysis of lease liabilities)

GROUP

31 December 2024	0-30 days	31-90 days	91-180 days	181-365 days	Over 1 year but less than 5 years	Over 5 years	Total
Lease liability	602	588	445	1,077	8,787	8,632	20,131

31 December 2023	0-30 days	31-90 days	91-180 days	181-365 days	Over 1 year but less than 5 years	Over 5 years	Total
Lease liability	82	260	350	620	6,149	6,918	14,379

COMPANY

31 December 2024	0-30 days	31-90 days	91-180 days	181-365 days	Over 1 year but less than 5 years	Over 5 years	Total
Lease liability	88	-	-	-	-	-	88

31 December 2023	0-30 days	31-90 days	91-180 days	181-365 days	Over 1 year but less than 5 years	Over 5 years	Total
Lease liability	-	-	-	-	57	-	57

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31 Intangible assets

	Group			
	Goodwill ₦'millions	Computer Software ₦'millions	Work in Progress ₦'millions	Total ₦'millions
Cost				
At 1 January 2023	5,696	54,257	2,782	62,735
Additions	-	32,081	-	32,081
Reclassification	-	(440)	(237)	(677)
Write off	-	(3,645)	(226)	(3,871)
Transfers	-	3,980	(3,980)	-
Exchange difference	3,245	3,286	2,703	9,234
At 31 December 2023	8,941	89,519	1,042	99,502
Additions	**7**	**25,035**	**-**	**25,042**
Reclassification	**-**	**89**	**-**	**89**
Write off	**-**	**-**	**-**	**-**
Transfers	**-**	**2,302**	**(2,302)**	**-**
Reclassification to asset held for sale	**-**	**(3,513)**	**(61)**	**(3,574)**
Exchange difference	**3,955**	**1,343**	**410**	**5,708**
At 31 December 2024	**12,903**	**114,775**	**(911)**	**126,767**
Amortisation and impairment				
At 1 January 2023	1,925	44,951	-	46,876
Amortisation charge	-	13,825	-	13,825
Reclasification	-	44	-	44
Exchange difference	1,097	4,103	-	5,200
At 31 December 2023	3,022	62,923	-	65,945
Amortisation charge	**-**	**17,598**	**-**	**17,598**
Reclassification to asset held for sale	**-**	**(3,481)**	**-**	**(3,481)**
Exchange difference	**1,567**	**5,000**	**-**	**6,567**
At 31 December 2024	**4,589**	**82,040**	**-**	**86,629**
Net book value				
At 31 December 2024	8,314	32,735	(911)	40,138
At 31 December 2023	5,919	26,595	1,042	33,557

The amortisation charge for the year is included in the income statement.

The software is not internally generated.

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Impairment tests for goodwill

Goodwill is monitored on the operating segment level. The entity to which the goodwill relates is recognized as a cash generating unit (CGU) and segmented as part of the Commercial Banking Business, see analysis by segment below.

Each CGU to which goodwill is allocated for impairment testing purposes reflects the lowest level at which goodwill is monitored for internal management purposes.The carrying value of goodwill is determined in accordance with IFRS 3 Business Combinations and IAS 36 Impairment of Assets.

Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. The test involves comparing the carrying value of goodwill with the recoverable amount, which is the present value of the pre-tax cash flows, discounted at a rate of interest that reflects the inherent risks of the cash-generating unit to which the goodwill relates or the CGU's fair value if this is higher.

There was no impairment identified in the year ended 31 December, 2024.

The recoverable amount of each CGU has been based on value in use and the weighted average cost of capital (WACC). These calculations use pre-tax cash flow projection covering five years. The cash flow projections for each CGU are based on forecasts approved by senior management. The nominal growth rate reflects GDP and inflation for the countries within which the CGU operates or derives revenue from. The rates are based on IMF forecast growth rates as they represent an objective estimate of likely future trends.

The discount rate used to discount the cash flows is based on the cost of capital assigned to each CGU, which is derived using a Capital Asset Pricing Model (CAPM). The CAPM depends on inputs reflecting a number of financial and economic variables including the risk free rate and a premium to reflect the inherent risk of the business being evaluated. These variables are based on the market's assessment of the economic variables and management's judgement. The discount rates for each CGU are refined to reflect the rates of inflation for the countries within which the CGU operates.

Impairment testing on cash generating units containing goodwill

Analysis of Goodwill balances

	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Commercial banking group segment		
FirstBank DRC	**2,064**	1,387
First Bank Ghana	**4,706**	3,578
FirstBank Sierra-Leone	**552**	338
FirstBank Guinea	**991**	616
	8,314	5,919

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The cash generating unit (CGUs) with material goodwill balances relates to FirstBank DRC and First Bank Ghana and the key assumptions used in the value-in-use calculation are as follows:

	2024		2023	
	FirstBank DRC	First Bank Ghana	FirstBank DRC	First Bank Ghana
Terminal growth rate: %	**16.6%**	**27.3%**	5.5%	9.0%
Discount rate: %	**39%**	**45%**	47%	62%
Deposit growth rate: %	**46%**	**64%**	64%	44%
Recoverable amount of the CGU: (₦' million)	**2,954,974**	**409,021**	286,153	134,877

The discount rate has been determined based on the Capital Asset Pricing Model and comprise a risk-free interest rate, the market risk premium and a factor covering the systematic market risk (beta factor). The values for the risk-free interest rate, the market risk premium and the beta factor are determined using external sources of information.

Terminal growth rates reflect the expected long-term gross domestic product growth and inflation for the countries within which the CGU operates. Cash flows in the terminal period reflect net earnings (dividend) in the preceding year growing at a constant rate.

Management determined deposits to be the key value driver in each of the entities. Deposits are considered by Management as the most important source of funds for the banks' subsidiaries to finance their assets. Deposit growth rate was determined using historical trend of deposit growth in the last 5 years.

Sensitivity analysis was performed by flexing two key inputs (WACC and Terminal Growth Rate) in the DCF valuation models.

For the two material CGUs, First Bank Ghana and FirstBank DRC, if the weighted average cost of capital (WACC) rate had been higher by 0.5%, the recoverable amount (VIU) would have been higher than the carrying amount by ₦194.04billion and ₦2555.02billion respectively, while if it had been lower by 0.5% the recoverable amount (VIU) would have been higher than the carrying amount by ₦400.04billion and ₦3073.77billion respectively.

If the terminal growth rate had been higher by 0.5% the recoverable amount would have been higher than the carrying amount by ₦302.36billion and ₦2814.04billion respectively, while if lower by 0.5% the recoverable amount would have been higher by ₦248.33billion and ₦2752.91billion respectively.

For the above scenarios, at no point was the recoverable amount (VIU) lower than the carrying amount to result in impairment of Goodwill.

Goodwill Sensitivity Analysis

	% Change	Recoverable amount	Excess of recoverable amount over carrying amount
FirstBank DRC			
Terminal growth rate:	+0.5%	2,986,688	2,814,043
	-0.5%	2,925,552	2,752,907
WACC	+0.5%	2,727,662	2,555,017
	-0.5%	3,246,412	3,073,767
First Bank Ghana			
Terminal growth rate:	+0.5%	438,139	302,358
	-0.5%	384,109	248,328
WACC	+0.5%	329,817	194,036
	-0.5%	535,825	400,044

Management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount of the respective CGUs to exceed their recoverable amounts.

	2024		2023	
	FirstBank DRC	First Bank Ghana	FirstBank DRC	First Bank Ghana
Goodwill (₦' million)	2,064	4,706	3,578	1,387
Net Asset (₦' million)	170,581	131,075	74,794	75,233
Total carrying amount (₦' million)	172,645	135,781	78,372	76,621
Excess of recoverable amount over carrying amount	2,782,329	273,240	207,781	58,256

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32 Deferred tax

(a) Deferred taxes are calculated on all temporary differences under the liability method using an effective tax rate of 30% (2023: 30%).

In recognising the deferred tax asset of ₦53.7 billion (2023: ₦55.89 billion), the Group has evaluated that the it would have sufficient assessible profit in the nearest future to enable utilization of recognised deferred tax assets

	Total deferred tax assets ₦'millions	Recognised deferred tax assets ₦'millions	Unrecognised deferred tax assets ₦'millions
Group	92,313	53,706	38,607
Company	8,540	-	8,540

Group

	Gross Amount ₦'millions	Tax Effect ₦'millions	Recognised ₦'millions	Unrecognised ₦'millions
Analysis of unrecognized deferred tax assets:				
Property and equipment	(27,537)	(8,231)	(8,961)	730
Allowance for loan losses	164,733	53,440	30,086	23,354
Tax losses carried forward	122,395	37,063	22,569	14,494
Other assets	9,586	3,082	2,668	414
Other liabilities	32,737	10,639	3,318	7,321
Defined benefit obligation	5,797	1,884	2,293	(409)
Effect of changes in exchange rate	120,635	39,697	46,667	(6,970)
Fair value adjustment	(2,564)	(833)	(507)	(326)
Derivatives	(134,630)	(44,428)	(44,427)	(1)
	291,152	92,313	53,706	38,607

Company

	Gross Amount ₦'millions	Tax Effect ₦'millions	Recognised ₦'millions	Unrecognised ₦'millions
Analysis of unrecognized deferred tax assets:				
Property and equipment	3,600	1,080	-	1,080
Tax losses carried forward	27,098	8,129	-	8,129
Other assets	(35)	(12)	-	(12)
Other liabilities	65	21	-	21
Prior year adjustment	(2,053)	(678)	-	(678)
	28,675	8,540	-	8,540

(b) **Deferred income tax assets and (liabilities) are attributable to the following items:**

(i) **Deferred tax assets**

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Property and equipment	(8,961)	26,599
Allowance for loan losses	30,086	54,603
Tax losses carried forward	22,569	31,187
Other assets	2,668	486
Other liabilities	3,318	387
Defined benefit obligation	2,293	3,402
Effect of changes in exchange rate	46,667	114,027
Fair value adjustment	(507)	(3,953)
Derivatives	(44,427)	(170,843)
	53,706	55,895

(ii) **Deferred tax liabilities**

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Property and equipment	4,758	3,922
Other assets	6,887	1,602
	11,645	5,524
Deferred tax assets		
- Deferred tax asset to be recovered after more than 12 months	53,706	55,895
- Deferred tax asset to be recovered within 12 months	-	-
	53,706	55,895
Deferred tax liabilities		
- Deferred tax liability to be recovered after more than 12 months	3,710	5,524
- Deferred tax liability to be recovered within 12 months	7,935	-
	11,645	5,524

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GROUP	1 Jan 2024 ₦'millions	Effect of Discontinued Operation ₦'millions	Recognised in P&L ₦'millions	Recognised in Equity ₦'millions	Recognised in OCI ₦'millions	31 December 2024 ₦'millions
Movements in Deferred tax assets during the year:						
Property and equipment	26,599	607	34,127	(70,294)	-	(8,961)
Allowance for loan losses	54,603	(174)	24,343	(48,686)	-	30,086
Tax losses carried forward	31,187	(8,967)	(349)	698	-	22,569
Other assets	486	(648)	(2,829)	5,659	-	2,668
Other liabilities	387	-	(2,931)	5,862	-	3,318
Defined benefit obligation	3,402	-	(3)	5	(1,111)	2,293
Prior year adjustment	-	-	-	-	-	-
Effect of changes in exchange rate	114,027	69	67,428	(134,857)	-	46,667
Fair value adjustment	(3,953)	-	(3,445)	6,891	-	(507)
Derivatives	(170,843)	-	(126,415)	252,831	-	(44,427)
	55,895	(9,113)	(10,074)	18,109	(1,111)	53,706

GROUP	1 Jan 2023 ₦'millions	Recognised in P&L ₦'millions	Recognised in Equity ₦'millions	Recognised in OCI ₦'millions	31 December 2023 ₦'millions
Movements in Deferred tax assets during the year:					
Property and equipment	4,012	17,990	4,597	-	26,599
Allowance for loan losses	4,589	48,968	1,046	-	54,603
Tax losses carried forward	21,084	(4,738)	14,841	-	31,187
Other assets	489	(39)	36	-	486
Other liabilities	17	(683)	1,053	-	387
Defined benefit obligation	884	(6)	(887)	3,411	3,402
Effect of changes in exchange rate	(492)	113,617	902	-	114,027
Fair value adjustment	326	(4,279)	-	-	(3,953)
Derivatives	-	(170,843)	-	-	(170,843)
	30,909	(13)	21,588	3,411	55,895

(c) Reconciliation of recognised deferred tax assets and liabilities to the amounts disclosed in the statement of financial position

(i) **Deferred tax assets**

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Recognised deferred tax assets	**98,640**	230,691	-	-
Amounts offset*:				
- Fair value adjustment	**(507)**	(3,953)	-	-
- Derivatives	**(44,427)**	(170,843)	-	-
Deferred tax assets in the statement of financial position	**53,706**	55,895	-	-

(ii) **Deferred tax liabilities**

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Deferred tax liabilities that are not offset:				
Property and equipment	**4,758**	3,922	-	-
Other assets	**6,887**	1,602	-	-
Deferred tax liabilities in the statement of financial position	**11,645**	5,524	-	-

GROUP	1 Jan 2024 ₦'millions	Recognised in P&L ₦'millions	Recognised in OCI ₦'millions	31 December 2024 ₦'millions
Movements in Deferred tax liabilities during the year:				
Property and equipment	**3,922**	**836**	**-**	**4,758**
Other assets	**1,602**	**4,661**	**624**	**6,887**
	5,524	**5,497**	**624**	**11,645**

GROUP	1 Jan 2023 ₦'millions	Recognised in P&L ₦'millions	Recognised in OCI ₦'millions	31 December 2023 ₦'millions
Movements in Deferred tax liabilities during the year:				
Property and equipment	82	3,840	-	3,922
Other assets	786	816	-	1,602
	868	4,656	-	5,524

Deferred tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profit is probable. The Group did not recognise deferred income tax assets of ₦38.6 billion (2023: ₦25.15 billion).

As the Group exercises control over the subsidiaries, it has 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 will not be disposed of. Hence, the deferred tax arising from temporary differences above will not be recognised.

The Group has assessed that based on the Group's profit forecast, it is probable that there will be future taxable profits against which the tax losses, from which deferred tax asset has been recognised, can be utilised.

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(d) Analysis of Group Deferred Tax Assets by Subsidiaries:

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
First Bank of Nigeria Limited	53,364	45,175
FirstCap Limited	-	1,265
FBNQuest Merchant Bank Limted	-	9,455
First Securities Brokers Limited	342	-
	53,706	55,895

33 Deposits from banks

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Due to banks within Nigeria	2,485,249	802,683
Due to banks outside Nigeria	437,183	1,000,499
	2,922,432	1,803,182
Current	2,922,432	1,803,182
Non-current	-	-
	2,922,432	1,803,182

Deposits from banks only include financial instruments classified as liabilities at amortised cost.

34 Deposits from customers

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Current	4,918,333	3,011,852
Savings	4,154,169	2,856,490
Term	2,372,762	2,003,205
Domiciliary	5,720,073	2,754,415
Electronic purse	5,353	37,384
	17,170,690	10,663,346
Current	16,588,288	10,069,358
Non-current	582,402	593,988
	17,170,690	10,663,346

Deposits from customers only include financial instruments classified as liabilities at amortised cost.

35 Financial liabilities at amortized cost

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Debt securities – at amortised cost:		
– Bonds	198,188	-
	198,188	-

36 Other liabilities

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Financial liabilities:				
Customer deposits for letters of credit	481,208	591,984	-	-
Accounts payable	311,926	351,788	-	-
Lease liability	20,131	14,379	88	57
Creditors	20,477	27,659	2,166	149
Bank cheques	47,889	40,259	-	-
Collection on behalf of third parties	55,677	38,300	-	-
Unclaimed dividend	18,437	16,627	18,437	16,627
Other credit balance (Note 36(a))	260,328	176,643	8,386	2,208
	1,216,073	1,257,639	29,077	19,041
Non financial liabilities:				
Allowance for credit losses on off-balance sheet items	19,798	1,501	-	-
Provisions	3,254	2,693	-	-
	23,052	4,194	-	-
Other liabilities balance	1,239,125	1,261,833	29,077	19,041
Current	1,215,262	1,246,742	29,077	19,041
Non-current	23,863	15,091	-	-
	1,239,125	1,261,833	29,077	19,041

(i) The provision for litigations is recognised in income statement within 'other operating expenses'. In the directors' opinion, after taking appropriate legal advice, the outcome of these legal claims will not give rise to any significant loss beyond the amounts provided at 31 December 2024.

(ii) The unclaimed dividend balance represents the aggregate amounts of dividends that remained unclaimed after 15 months or more which the Registrars returned to the Company in line with current regulations. In 2024, an additional sum of ₦2.87 billion was returned to First HoldCo Plc. by the Registrars.

(iii) Other Credit balances include accrued expenses and long service awards.

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(iv) Reconciliation of impairment on Off Balance Sheet account

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Opening balance at 1 January	**1,501**	1,775
Impairment charge/(writeback)	**18,116**	(678)
Exchange difference	**181**	404
Closing balance at 31 December	**19,798**	1,501

(v) The movement in provision during the year is as follows:

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Opening balance at 1 January	**2,693**	1,565
Provisions made during the year	**2,354**	1,128
Paid during the year	**(1,001)**	-
Provisions reversed during the year	**(792)**	-
Closing balance at 31 December	**3,254**	2,693
Analysis of total provisions:		
Current	**3,254**	2,693
Non Current	**-**	-
	3,254	2,693

36a Long service awards

Included in other credit balances is long service award. Long service award amounted to ₦3.29billion (December 2023: ₦2.61billion). The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their services in the current and prior periods. That benefit is discounted to determine its present value. Remeasurments are recognised in profit or loss in the period in which they arise.

The movement in the long service awards over the year is as follows:

GROUP	Present value of the obligation ₦'millions	Fair value of plan assets ₦'millions	Total ₦'millions
Defined benefit pension obligations at 1 January 2023	2,211	-	2,211
Current service cost	219	-	219
Interest cost on defined benefit obligation	276	-	276
Curtailment gains	-		-
Employer Contribution made within the year	-	-	-
Benefit paid by employer	(337)	-	(337)
Acturial (Gains)/Losses due to change in:		-	
- Financial assumption	(258)	-	(258)
- Experience adjustments	497	-	497
Defined benefit pension obligations at 31 December 2023	2,608	-	2,608
Current service cost	**257**	**-**	**257**
Interest cost on defined benefit obligation	**365**	**-**	**365**
Curtailment gains	**-**	**-**	**-**
Employer Contribution made within the year	**-**	**-**	**-**
Benefit paid by employer	**(442)**	**-**	**(442)**
Acturial (Gains)/Losses due to change in:		**-**	
- Financial assumption	**(558)**	**-**	**(558)**
- Experience adjustments	**1,061**	**-**	**1,061**
Defined benefit pension obligations at 31 December 2024	**3,290**	**-**	**3,290**

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37 Borrowings

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Long term borrowing comprise:		
FBN EuroBond (i)	**547,924**	334,915
Subordinated Debt (ii)	**297,001**	185,156
Proparco and DEG (iii)	**115,471**	75,472
British International Investment (iv)	**65,065**	62,347
African Export-Import Bank (v)	**28,891**	87,980
On-lending facilities from financial institutions (vi)	**25,428**	32,795
Borrowing from correspondence banks (vii)	**184,786**	252,868
Surbodinated unsecured debt (viii)	**235,197**	202,332
Other secured borrowing (ix)	**59,590**	16,962
	1,559,353	1,250,827
Current	**1,522,962**	648,780
Non-current	**36,391**	602,047
	1,559,353	1,250,827
At start of the year	**1,250,254**	675,440
Proceeds of new borrowings	**463,305**	661,908
Finance cost	**169,008**	85,838
Reclassification to liabilities held for sale	**(24,764)**	-
Foreign exchange losses	**976,025**	540,160
Repayment of principal	**(1,093,926)**	(676,475)
Interest paid	**(180,549)**	(36,617)
At end of year	**1,559,353**	1,250,254

(i) Facility represent Senior Note Participation Notes due 2025 issued by FBN Finance Company B.V, Netherlands on 27 October 2020 for a period of 5 years. The notes have interest at 8.625% per annum with coupon payable every six month. This facility is unsecured.

(ii) The amount of ₦297 billion relates to subordinated debt of $200million from Afexim. Interest is payable at the rate of 3 months SOFR + 7% per annum. The tenor of the debt is for a period of 5 years to mature in December 2024. Interest on the Subordinated debt is payable semiannually. This facility is unsecured.

(iii) The amount represents the outstanding balance of the credit facility of US $49.7 million granted by Promotion et Participation pour la Coopération économique (PROPARCO) in February 2016. The facility is priced at 5.78%(Fixed) per annum and matured in May 2024. Interest on this facility was payable semiannually and there was a 2 year moratorium on principal repayment. This facility was unsecured.

In 2022, additional credit facility of ₦37.4 billion (USD50million) and ₦18.7 billion (USD25million) was availed to the bank on 6 September 2022. These facilities are priced at 9.43%(Fixed) per annum and will mature in September 2027.

(iv) Facility represents senior unsecured loan from the British International Investment company. The principal balance of ₦66.76 billion (USD43.1m) is payable in equal semi annual instalments after a grace period of one year. Interest is at the rate of 6-month SOFR +4.85% per annum

(v) The amount of ₦28.89 billion represents the balance of the credit facility of USD150 million granted by AfreximBank in March 2022. Interest is payable quarterly at the rate of LIBOR +4.5% per annum and the facility will mature in March 2025. There is a one year moratorium on principal repayment with quarterly principal repayment after the moratorium period

(vi) Included in on-lending facilities from financial institutions are disbursements from other banks and Financial Institutions which are guaranteed by the Bank for specific customers. These facilities include the BOI funds and CACS intervention funds. See further notes below.

a. CBN/BOI facilities

The Central Bank of Nigeria (CBN), in a bid to unlock the credit market, approved the investment of ₦200 billion debenture stock to be issued by the Bank of Industry (BOI), which would be applied to the re-financing/restructuring of bank's loans to the manufacturing sector. During the year, there was no additional disbursement (2023: Nil) to First Bank of Nigeria Limited. The related pledged assets are disclosed in Note 25.

b. CBN/CACS Intervention funds

The Central Bank of Nigeria (CBN) in collaboration with the Federal Government of Nigeria (FGN) represented by the Federal Ministry of Agriculture and Water Resources (FMA & WR) established the Commercial Agricultural Credit Scheme (CACS). During the year, First Bank of Nigeria Limited did not receive any addtional funds (2023: Nil) for on-lending to customers as specified by the guidelines. Loans granted under the scheme are for a seven year period at an interest rate of 9% p.a. The related pledged assets are disclosed in Note 25.

(vii) Borrowings from correspondent banks include loans from foreign banks utilised in funding letters of credits for international trade.

(viii) Included in Surbodinated unsecured debts are commercial papers issued. This represents the amortized cost of the Group's unsecured Commercial Papers (CP) in issue as at 31 December 2024, under its Commercial Paper Issuance Programme. Subject to any purchase and cancellation early redemption, the commercial papers shall be redeemed on redemption date at 100% of their nominal amount.

(ix) Other secured borrowing includes a six months Secured lending facility of $17.5 million (2023: $17.5 million) from Goldman Sachs renewable upon maturity offered at SoFR plus 2%. Also included is a 3 months Secured lending facility of $20.7 million (2023: nil) from Duestche Bank renewable upon maturity offered at SoFR plus 3.25%. These facilities are secured against debt instruments.

(x) Compliance with covenants

Proparco

The Group had two loans with a carrying amount of ₦76.98 billion at 31 December 2024 (31 December 2023: ₦51.90 billion) which were obtained in 2016 (repayable in May 2024) and 2022 (repayable in September 2027). The credit facility agreement ("Agreement") contains seven financial covenants that, among other things, require the Bank to maintain ratios within defined thresholds. These covenants relate to capital adequacy, open assets exposure ratio, aggregate large exposures ratio, related party lending ratio, liquidity coverage ratio, individual and aggregate unhedged open foreign currency. During the year, there were no defaults on principal, interest or redemption terms of loan payable.

As at 31 December 2024, the group was in breach of USD Liquidity Coverage Ratio [Actual of 42.52%: Threshold of >110%], Open Assets Exposure Ratio [Actual of 35.51%: Threshold of <15%], and Single Exposure Ratio [Actual of 71.36%: Threshold of <20%] arising from the Naira devaluation from $1/NGN951.79 to $1/NGN1,549.

DEG- Deutsche Investitions – Und Entwicklungsgesellschaft mbH

The Group had a loan with a carrying amount of ₦38.49 billion at 31 December 2024 (31 December 2023: ₦23.57 billion). This loan was obtained in 2022 and is repayable in September 2027. The credit facility agreement ("Agreement") contains

Notes to the Financial Statements
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eight financial covenants that, among other things, require the Group to maintain ratios within defined thresholds. These covenants relate to capital adequacy, open assets exposure ratio, single group exposure ratio, related party lending ratio, cost to income ratio, liquidity coverage ratio, USD liquidity coverage ratio and aggregate un-hedged open foreign currency ratio for its commercial banking subsidiary, First Bank of Nigeria. During the period, there were no defaults on principal, interest or redemption terms of loan payable. As at 31 December 2024, the Bank was in breach of USD Liquidity Coverage Ratio [Actual of 42.52%: Threshold of >110%], Open Assets Exposure Ratio [Actual of 35.51%: Threshold of <15%], and Single Exposure Ratio [Actual of 71.36%: Threshold of <20%] arising from the Naira devaluation from $1/NGN951.79 to $1/NGN1,549.

African Export-Import Bank

The Group had a loan with a carrying amount of ₦325.89 billion at 31 December 2024 (31 December 2023: ₦87.98 billion). This loan was obtained in 2022 and is repayable in March 2025. The credit facility agreement ("Agreement") contains five financial covenants that, among other things, require the Group to maintain ratios within defined thresholds by its commercial banking subsidiary, First Bank of Nigeria. These covenants relate to tangible networth, capital adequacy, gross non-performing loans ratio, liquidity coverage ratio, and foreign currency borrowings. During the period, there were no defaults on principal, interest or redemption terms of loan payable. As at 31 December 2024, the Bank was in breach of Gross Non-Performing Loans Ratio [Actual of 12.17%: Threshold of <10%].

British International Investment

The Group had a loan with a carrying amount of ₦65.07 billion at 31 December 2024 (31 December 2023: ₦62.35 billion). This loan was obtained in 2022 and is repayable in June 2027. The credit facility agreement ("Agreement") contains seven financial covenants that, among other things, require the Group to maintain ratios within defined thresholds by its commercial banking subsidiary, First Bank of Nigeria. These covenants relate to capital adequacy, tier 1 equity ratio, economic group exposures ratio, related party exposure ratio, liquidity coverage ratio, open credit exposure ratio and net open position ratio. During the period, there were no defaults on principal, interest or redemption terms of loan payable.

As at 31 December 2024, the Group was in breach of economic group exposures [Actual of 71.3%: Threshold of <30%], open credit exposure ratio[Actual of 35.51%: Threshold of <25%], and Net Open Position Ratio [Actual of 10.12%: Threshold of <10%].

38 Retirement benefit obligations

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Defined Contribution Plan		
Gratuity Scheme (i)	2,762	1,441
Defined Benefits - Pension (ii)	5,878	6,595
	8,640	8,036

Plan liabilities are based upon independent actuarial valuation performed by Ernst & Young using the projected unit credit basis. This valuation was carried out as at 31 December 2024 and 31 December 2023.

Gratuity scheme (i)

This relates to the schemes operated by the subsidiaries of First Bank of Nigeria Limited as follows:

FirstBank Congo (DRC) has a scheme whereby on separation, staff who have spent a minimum of 3 years are paid a sum based on their qualifying emoluments and the number of periods spent in service of the Bank. FirstBank Guinea and FirstBank Sierra Leone each have a graduated gratuity scheme for staff on separation where staff receives a lump sum based on their qualifying basic salaries on the number of year spent.

Defined benefit - Pension (ii)

First Bank of Nigeria Limited has an old Defined Benefit scheme, discontinued in March 2001. The funds are placed with fund managers and the Bank is under obligation to fund the deficit.

In addition, First Pensions Custodian Nigeria Limited (FPCNL), a direct subsidiary of First Bank of Nigeria Limited, has a non-contributory defined gratuity scheme for directors. Directors are paid a sum based on an approved scale and the number of years of service subject to a maximum of 9 years.

The movement in the defined benefit pension (i) over the year is as follows:

GROUP	Present value of the obligation ₦'millions	Fair value of plan assets ₦'millions	Total ₦'millions
Defined benefit pension obligations at 1 January 2023	10,466	(5,194)	5,272
Interest expense/(income)	1,384	(965)	419
Return on plan asset excluding interest income	7	(166)	(159)
Past service cost	-	-	-
Acturial (Gains)/Losses due to change in:			
- Financial Assumptions	1,093	-	1,093
- Experience Adjustment	(9)	-	(9)
- Demographic Assumptions	16	(7)	9
Contributions:			-
- Employer	-	(29)	(29)
Payments:			
- Benefit payment	(1,280)	1,280	-
Defined benefit pension obligations at 31 December 2023	11,676	(5,081)	6,595
Interest expense/(income)	**1,678**	**(1,135)**	**543**
Return on plan asset excluding interest income	**-**	**273**	**273**
Foreign exhange gain/loss	**(8)**	**(8)**	**(16)**
Past service cost	**-**	**-**	**-**
Acturial (Gains)/Losses due to change in:			
- Financial Assumptions	**(1,345)**	**-**	**(1,345)**
- Experience Adjustment	**(202)**	**-**	**(202)**
- Demographic Assumptions	**18**	**12**	**30**
Contributions:			
- Employer	**-**	**-**	**-**
Payments:			**-**
- Benefit payment	**(1,363)**	**1,363**	**-**
Defined benefit pension obligations at 31 December 2024	**10,454**	**(4,576)**	**5,877**

The actual return on plan assets was ₦273 million (2023:₦166 million)

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Composition of Plan assets

GROUP	2024			2023		
	Quoted ₦'millions	Unquoted ₦'millions	Total ₦'millions	Quoted ₦'millions	Unquoted ₦'millions	Total ₦'millions
Equity Instruments						
Banking	875	-	875	796	-	796
Debt Instruments						
Government	2,741	-	2,741	2,602	-	2,602
Corporate Bond	51	-	51	55	-	55
Money market investments	782	67	849	1,533	8,743	1,620
Money on call	71	-	71	38	-	38
Others	-	-	-	-	-	-
Total	4,521	67	4,588	5,023	8,743	5,110

The fair value of plan assets is calculated with reference to quoted prices and are within level 1 and 2 of the fair value hierachy

The movement in the defined benefit Gratuity Scheme (ii) over the year is as follows:

	GROUP		
	Present value of the obligation ₦'millions	Fair value of plan assets ₦'millions	Net ₦'millions
Defined benefit pension obligations at 1 January 2023	452	(26)	426
Foreign exchange difference	584	(15)	569
Interest expense	119	-	119
Service cost	88	-	88
Remeasurement:			
- Return on plan asset not included in net interest cost on pension scheme	-	-	-
Net actuarial gain or loss	240	-	240
Contributions:			
- Employer	-	-	-
Payments:			
- Benefit payment	(41)	41	-
Defined benefit pension obligations at 31 December 2023	1,441	-	1,441
Interest expense	279	-	279
Service cost	276	-	276
Remeasurement:			
- Return on plan asset not included in net interest cost on pension scheme	(24)	-	(24)
Net actuarial gain or loss	32	(30)	2
Employer contributions	-	24	24
Foreign exchange difference	877	(67)	810
Benefit payment	(46)	-	(46)
Defined benefit pension obligations at 31 December 2024	2,835	(73)	2,761

Arising from the defined benefit pension plan, the group is exposed to a number of risk, the most significant of which are detailed below:

Asset Volatility: The plan liabilities are calculated using a discount rate set with reference to Federal Government Bond yields. If the plan assets underperform this yield, this will create a deficit. As the plans mature, the group intends to reduce the level of investment risk by investing more in asset such that changes in the value of the assets closely match the movement in the fund's liabilities. There remains the residual risk that the selected portfolio does not match the liabilities closely enough or that as it matures there is a risk of not being able to reinvest the assets at the assumed rates. The scheme's trustees review the structure of the portfolio on a regular basis to minimize these risks.

Changes In Bond Yields: A decrease in Federal bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings. The rate used to discount post-employment benefit obligations is determined with reference to market yields at the balance sheet date on high quality corporate bonds. In countries where there is no deep market in such bonds, the market yields on government bonds are used. The Group is of the opinion that there is no deep market in Corporate Bonds in Nigeria and as such assumptions underlying the determination of discount rate are referenced to the yield on Nigerian Government bonds of medium duration, as compiled by the Debt Management Organisation.

Inflation Risk: The plan benefit obligations are linked to inflation, and higher inflation lead to higher liabilities. However, majority of the plan assets are either unaffected by (fixed interest bonds) or loosely correlated with (equities) inflation, meaning that an increase in inflation will also increase the deficit.

Life Expectancy: The majority of the plans' obligations are to provide benefits for the members, so increases in the life expectancy will result in an increase in the plan's liabilities. This risk is significantly curtailed by the weighted average liability duration of the plan which is currently 6.09 years and retirement age of 60 years.

Under the funded plan, the Legacy scheme, the group ensures that the investment positions are managed within the Asset-liability matching (ALM) framework that has been developed to achieve long-term investment that are in line with the obligations under the pension schemes. Within this ALM framework, the objective is to match assets to the pension obligation by investing in long term fixed interest securities with maturities that match the benefit payments as they fall due. The Group actively monitors how the duration and the expected yield of the investment are matching the expected cash outflows arising from the pension obligation. There is no regulatory framework guiding the operation of the plan assets.

The principal actuarial assumptions were as follows:

	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Discount rate on pension plan	**15.2%**	15.2%
Inflation rate	**16%**	15%
Life expectancy	**25yrs**	45yrs

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The sensitivity of the pension liability to changes in the weighted principal assumptions is shown in table below:

	Assumption	Defined Benefit Obligation ₦'millions	Impact on Liability
Discount rate	15.2%	10,204	0.0%
	16.2%	9,765	-4.3%
	14.2%	10,693	4.8%
Pension increase rate	0%	10,204	0.0%
	1%	10,829	6.1%
	-1%	9,642	-5.5%
Mortality experience	Base	10,204	0.0%
	Improved by 1 year	10,179	-0.2%
	Decreased by 1 year	10,229	0.2%

The above sensitivity analysis is for First Bank of Nigeria Limited and deemed to be representative of the Group. It is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The below table shows the maturity profile of the defined obligation.

Maturity Profile on Defined Benefit Obligation

Years	Amount ₦'millions
2025	1,561,630
2026	1,558,104
2027	1,554,206
2028	1,549,888
2029	1,545,107
2030 - 2034	7,633,817

Defined benefit cost, charged to income statement (refer note 16)

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Defined Benefits - Pension (i)	**1,098**	1,194
Defined benefit cost, charged to other comprehensive income		
Defined Benefits - Pension (i)	**1,244**	(931)
Gratuity Scheme (ii)	**22**	(240)
Long service award	**(502)**	(239)
	764	(1,409)

39 Share capital

	31 December 2024	31 December 2023
Authorised, Issued and fully paid		
35 billion ordinary shares of 50k each (2023: 35 billion)	**17,948**	17,948

Movements during the period:

	Number of shares In millions	Ordinary shares ₦'millions
At 31 December 2023	35,895	17,948
At 31 December 2024	**35,895**	**17,948**

At the Annual General Meeting (AGM) of the company held on 15 August 2023, the Shareholders approved the creation of additional shares to be issued to existing Shareholders of the Company via a Rights Issue. During the year, a Rights Issue of one share for every six shares held was offered to existing shareholders which amounted to 5.983 billion shares. The offer closed on December 30, 2024. The shares have not been alloted as at end of the financial year. Subsequently, the Securities & Exchange Commission (SEC) approved the basis of allotment in March 2025, hence the share capital of the company amounted to ₦20.939 billion made up of 41.878 billion shares of 50kobo each.

40 Share premium and reserves

The nature and purpose of the reserves in equity are as follows:

Share premium: Premiums (i.e. excess over nominal value) from the issue of shares are reported in share premium.

Retained earnings: Retained earnings comprise the undistributed profits from previous years, which have not been reclassified to the other reserves noted below.

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for the year ended 31 December 2024

Statutory reserve: Nigerian banking regulations require banks to make an annual appropriation to a statutory reserve. As stipulated by S16(1) of the Bank and Other Financial Institutions Act of 2020 (amended), an appropriation of 30% of profit after tax is made if the statutory reserve is less than the paid-up share capital and 15% of profit after tax if the statutory reserve is greater than the paid-up share capital.

Capital reserve: Reserve arising from business restructuring within the group, eliminated during consolidation of group numbers

Fair value reserve: The fair value reserve shows the effects from the fair value measurement of financial instruments elected to be presented in other comprehensive income on initial recognition after deduction of deferred taxes. No gains or losses are recognised in the consolidated income statement.

Small Scale Investment reserve: This reserve is maintained to comply with the Central Bank of Nigeria (CBN) requirement that all licensed banks set aside a portion of the profit after tax in a fund to be used to finance equity investments in qualifying small and medium-scale enterprises. Under the terms of the guideline (amended by CBN letter dated 11 July 2006), the contributions will be 10% of profit after tax and shall continue after the first five years but banks' contributions shall thereafter reduce to 5% of profit after tax. However, this is no longer mandatory. The small and medium-scale industries equity investment scheme reserves are non-distributable.

Regulatory risk reserve: The Group determines its loan loss provisions based on the requirements of IFRS. The difference between the loan loss provision as determined under IFRS and the provision as determined under Nigerian Prudential guideline (as prescribed by the Central Bank of Nigeria)

Foreign currency translation reserve (FCTR): Records exchange movements on the Group's net investment in foreign subsidiaries.

41 Non-controlling interests

The movement in non-controlling interest for the year is shown below.

	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Opening balance	**28,443**	12,112
Share of profit	**6,206**	2,167
Share of other comprehensive income	**18,178**	14,164
	52,827	28,443

42 Cashflow workings

a Reconciliation of profit before tax to cash generated from operations

	Notes	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
Profit before tax from continuing operations		**795,932**	355,328	**26,261**	**15,192**
Profit before tax from discontinued operations	29.2	**15,048**	2,615	**-**	-
Profit before tax including discontinued operations		**810,980**	357,943	**26,261**	15,192
Adjustments for:					
– Depreciation	30	**44,384**	29,053	**370**	326
– Amortisation	31	**17,598**	13,825	**-**	-
– (Profit)/Loss from disposal of property and equipment	15	**194**	(7)	**130**	(7)
– Foreign exchange losses/(gains)	11	**90,965**	333,810	**(1,164)**	(787)
– Net monetary loss	11	**10,474**	9,025	**-**	-
– Profit from investment securities	12	**48,059**	(34,848)	**(21)**	50
"– Net (gains)/losses from financial assets at fair value through profit or loss"	**13**	**(534,968)**	(681,551)	**(4)**	379
– Impairment on loans and advances	9	**366,003**	210,773	**-**	-
– Impairment on other financial assets	9	**16,522**	8,272	**-**	-
– Impairment on other assets	9	**43,769**	5,903	**3**	-
– Loss/(profit) from disposal of investment in subsidiary	29.2	**-**	-	**-**	-
– Dividend income	14	**(10,657)**	(5,742)	**(27,090)**	(17,160)
– Interest income	7	**(2,397,428)**	(936,682)	**(6,009)**	(3,379)
– Interest expense	8	**996,119**	390,394	**8**	6
(Increase)/decrease in operating assets:					
– Cash and balances with the Central Bank (restricted cash)	(i)	**(1,709,513)**	(550,208)	**-**	-
– Loans and advances to banks	(ii)	**1,663,774**	1,045,702	**-**	-
– Loans and advances to customers	(iii)	**1,123,369**	(2,761,910)	**91**	(230)
– Financial assets at fair value through profit or loss	(iv)	**952,445**	236,600	**508**	718
– Other assets	(vii)	**80,457**	(30,485)	**(1,159)**	(271)
– Asset pledged as collateral	(vi)	**409,269**	(923,923)	**-**	-
– Assets held for sale		**(2,273)**	(3,954)	**-**	-
Increase/(decrease) in operating liabilities:					
– Deposits from banks	42b(viii)	**(88,541)**	(717,036)	**-**	-
– Financial liabilities at fair value through profit or loss	42b(xvi)	**(88,887)**	105,086	**-**	-
– Deposits from customers	42b(ix)	**3,102,203**	4,284,771	**-**	-
– Other liabilities	42b(x)	**(740,791)**	(129,725)	**8,511**	1,766
– Change in retirement benefit obligations	42b(xix)	**1,870**	1,194	**-**	-
Cash flow (used in)/generated from operations		**4,205,396**	256,281	**435**	(3,397)

Notes to the Financial Statements

for the year ended 31 December 2024

b Cashflow workings

(i) Cash and balances with the Central Bank (restricted cash)

	Notes	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
Opening balance	19	**2,108,471**	1,558,263	**-**	-
Discontinued operation		**(73,953)**	-	**-**	-
Movement during the year		**1,709,513**	550,208	**-**	-
Closing balance	19	**3,744,031**	2,108,471	**-**	-

(ii) Loans and advances to banks (Long term placement)

	Notes	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
Opening balance	21	**257,660**	280,054	**-**	-
Interest income	7	**183,258**	48,331	**-**	-
Interest received		**(183,258)**	(48,331)	**-**	-
Discontinued operation		**(36,556)**	-	**-**	-
Foreign exchange difference		**1,474,918**	1,023,308	**-**	-
Movement during the year		**(1,663,774)**	(1,045,702)	**-**	-
Closing balance	21	**32,248**	257,660	**-**	-

(iii) Loans and advances to customers

	Notes	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
Opening balance		**(6,359,294)**	(3,789,061)	**(269)**	(39)
Closing balance		**8,767,888**	6,359,294	**178**	269
Changes during the year		**2,408,594**	2,570,233	**(91)**	230

Changes explained by:

	Notes	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
ECL allowance on loan and advances to customers	9	**(371,044)**	(174,668)	**-**	-
Interest income	7	**1,363,715**	609,815	**44**	31
Interest received		**(825,601)**	(937,795)	**(44)**	(31)
Discontinued operation		**(105,801)**	-	**-**	-
Foreign exchange difference		**3,470,694**	310,971	**-**	-
Movement during the year		**(1,123,369)**	2,761,910	**(91)**	230
Changes during the year		**2,408,594**	2,570,233	**(91)**	230

(iv) Financial assets at fair value through profit or loss

	Notes	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
Opening balance		**748,785**	278,466	**504**	**1,601**
Movement in Treasury bills included in cash and cash equivalents	20	**29,606**	(226)	**-**	-
Interest income	7	**117,001**	1,811	**-**	-
Interest received		**(117,001)**	(1,811)	**-**	-
Fair value changes at FVTPL	13	**534,968**	681,551	**4**	(379)
Discontinued operation		**(4,327)**	-	**-**	-
Foreign exchange difference		**86,980**	25,594	**-**	-
Movement during the year		**(952,445)**	(236,600)	**(508)**	(718)
Closing balance	23	**443,567**	748,785	**-**	504

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for the year ended 31 December 2024

(v) Investment securities

	Notes	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
Opening balance		**2,797,620**	2,321,885	**6,959**	3,963
Purchase of investment securities		**2,439,458**	1,464,155	**12,808**	3,602
Disposal of investment securities		**(1,006,679)**	(1,178,834)	**(6,384)**	(1,153)
Movement in Treasury bills included in cash and cash equivalent	20	**1,342,344**	(300,349)	**-**	-
Interest income on FVOCI investments	7	**436,643**	145,971	**1,912**	368
Interest income on amortised cost investments	7	**296,811**	130,754	**-**	-
Interest received		**(725,826)**	(281,472)	**(699)**	(436)
Fair value changes in FVOCI		**60,040**	204,774	**(635)**	185
Discontinued operation		**(62,677)**	-	**-**	-
Foreign exchange difference		**957,067**	299,686	**543**	430
Impairment on amortised cost investments		**1,594**	(8,950)	**-**	-
Closing balance		**6,536,395**	2,797,620	**14,504**	6,959

(vi) Asset pledged as collateral

	Notes	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
Opening balance	25	**1,519,094**	595,171	**-**	-
Discontinued operation		**(40,600)**	-	**-**	-
Movement during the year		**(409,269)**	923,923	**-**	-
Closing balance	25	**1,069,225**	1,519,094	**-**	-

(vii) Other assets

	Notes	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
Opening balance	26	**600,927**	373,130	**17,661**	19,032
WHT credit note used	18b	**(2,203)**	(1,861)	**(17)**	(22)
Dividend receivable - current year	(xiv)	**-**	-	**22,294**	16,956
Dividend receivable - prior year	(xiv)	**-**	-	**(16,956)**	(18,576)
Impairment charge for the year	9	**(43,769)**	(5,903)	**(3)**	-
Reclassification from investment in subsidiary	(xv)	**-**	-	**-**	-
Discontinued operation		**(7,964)**	-	**-**	-
Foreign exchange difference		**673,186**	205,076	**-**	-
Movement during the year		**(80,457)**	30,485	**1,159**	271
Closing balance	26	**1,139,720**	600,927	**24,138**	17,661

(viii) Deposit from banks

	Notes	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
Opening balance	33	**1,803,182**	1,055,254	**-**	-
Interest expense	8	**210,117**	52,305	**-**	-
Interest paid		**(210,117)**	(52,305)	**-**	-
Discontinued operation		**(50,032)**	-	**-**	-
Foreign exchange difference		**1,257,823**	1,464,964	**-**	-
Movement during the year		**(88,541)**	(717,036)	**-**	-
Closing balance	33	**2,922,432**	1,803,182	**-**	-

(ix) Deposit from customers

	Notes	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
Opening balance		**10,663,346**	7,124,086	**-**	-
Interest expense	8	**615,153**	251,663	**-**	-
Interest paid		**(594,074)**	(239,092)	**-**	-
Discontinued operation		**(219,069)**	-	**-**	-
Foreign exchange difference		**3,603,131**	(758,082)	**-**	-
Movement during the year		**3,102,203**	4,284,771	**-**	-
Closing balance	34	**17,170,690**	10,663,346	**-**	-

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(x) Other liabilities

	Notes	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
Opening balance	36	1,261,833	652,554	19,041	17,269
Impairment writeback on off balance sheet	9	18,116	(678)	-	-
Lease payments	30	(1,549)	(2,827)	-	-
Interest expense on lease	8	1,841	588	8	6
Interest paid on Lease liabilities	30(ii)	(2,407)	(1,106)	-	-
Actuarial loss on long service award	36	502	239	-	-
Reclassification from investment in subsidiary	(xv)	-	-	1,517	-
Discontinued operation		(20,344)	-	-	-
Foreign exchange difference		721,924	742,788	-	-
Movement during the year		(740,791)	(129,725)	8,511	1,766
Closing balance	36	1,239,125	1,261,833	29,077	19,041

(xi) Disposal of property and equipment

	Notes	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
Cost	30	19,086	6,091	501	244
Accumulated depreciation	30	(9,582)	(4,691)	(293)	(216)
Net book value of disposed properties		9,504	1,401	208	28
Gain or (loss) on disposed properties	15	(194)	7	(130)	7
Sales proceed		9,310	1,408	78	35

(xii) Interest received

	Notes	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
Interest received on loans	(iii)	825,601	937,795	44	31
Interest received on placement		183,258	48,331	4,053	2,980
Interest received on investment	(v)	842,827	283,283	699	436
		1,851,686	1,269,409	4,796	3,447

(xiii) Interest paid

	Notes	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
Interest paid on deposit from customers	(ix)	**594,074**	239,092	**-**	-
Interest paid on deposit from banks	(viii)	**210,117**	52,305	**-**	-
		804,191	291,397		
Interest paid on borrowings	37	**180,549**	36,617	**-**	-
Interest paid on financial liabilities as at amortized cost		**7,615**	-	**-**	-
Interest paid on Lease liabilities		**2,407**	1,106		
		994,762	329,120	**-**	-

(xiv) Dividend received

	Notes	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
Opening dividend receivable		**-**	-	**16,956**	18,576
Dividend income	14	**10,657**	5,742	**27,090**	17,160
Dividend received		**(10,657)**	(5,742)	**(21,752)**	(18,780)
Closing dividend receivable		**-**	-	**22,294**	16,956

(xv) Investment in subsidiary

	Notes	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
Opening balance	28	**-**	-	**262,671**	262,671
Additional investment		**-**	-	**1,517**	-
Disposal		**-**	-	**-**	-
Reclassification to accounts receivable					-
Closing balance	28	**-**	-	**264,188**	262,671

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Additional investment:

	Notes	Group		Company	
		31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Cost		-	-	1,517	-
Reclassification to accounts payable		-	-	(1,517)	-
Cash paid during the year		-	-	-	-

Disposal investment:

	Notes	Group		Company	
		31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Net sale proceed of disposal		-	-	-	-
Reclassification to accounts receivable		-	-	-	-
Cash received during the year		-	-	-	-

(xvi) Financial liabilities at fair value through profit or loss

	Notes	Group		Company	
		31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Opening balance		143,470	38,384	-	-
Discontinued operation		(4,327)	-	-	-
Movement during the year		(88,887)	105,086	-	-
Closing balance		50,256	143,470	-	-

(xvii) Financial liabilities at amortized cost

	Notes	Group		Company	
		31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Opening balance		-	-	-	-
Proceeds of new debt liability		798,812	-	-	-
Finance Cost		22,503	-	-	-
Interest paid		(7,615)	-	-	-
Repayments of debt liability		(615,512)	-	-	-
Closing balance		198,188	-	-	-

(xviii) Proceeds from the sale of investment securities

	Notes	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
Value of investment disposed		**1,006,679**	1,178,834	**6,384**	1,153
profit on disposal of investment securities		**(48,059)**	34,848	**21**	(50)
		958,620	1,213,682	**6,405**	1,103

(xix) Retirement benefit obligations

	Notes	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions	Company 31 December 2024 ₦'millions	Company 31 December 2023 ₦'millions
Opening balance		**8,036**	5,699	**-**	-
Interest expense		**1,098**	1,194	**-**	-
Return on plan asset excluding interest income		**249**	(188)	**-**	-
Movement in Gratuity scheme		**772**	-	**-**	-
Actuarial (Gains)/Losses		**(1,515)**	1,331	**-**	-
Closing balance		**8,640**	8,036	**-**	-

43 Commitments and Contingencies

43.1 Capital commitments

The Group's capital commitment in respect of authorised and contracted capital projects are disclosed below.

Authorised and contracted

	Group 31 December 2024 ₦'millions	Group 31 December 2023 ₦'millions
Property and equipment	**2,957**	5,691
Intangible assets	**17,228**	9,094
	20,185	14,785

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43.2 Legal proceedings

The Group is a party to a number of legal actions arising out of its normal business operations. The directors having sought the advice of the professional legal counsel are of the opinion that no significant liability will crystalise from these cases beyond the provision made in the financial statements

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
At start of the year	**1,376**	1,376
Provisions	**172**	-
At end of year	**1,173**	1,376

43.3 Other contingent commitments

In the normal course of business the group is a party to financial instruments which carry off-balance sheet risk. These instruments are issued to meet the credit and other financial requirements of customers. The contractual amounts of the off-balance sheet financial instruments are:

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Performance bonds and guarantees	**490,278**	553,003
Letters of credit	**2,484,918**	1,584,920
	2,975,196	2,137,923

43.4 Loan Commitments

	Group	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Undrawn irrevocable loan commitments	**167,891**	179,277
	167,891	179,277

The total outstanding contractual amount of undrawn credit lines, letters of credit, and guarantees does not necessarily represent future cash requirements, as these financial instruments may expire or terminate without being funded. The fair value of credit related commitments is disclosed in Note 3.6

The group cannot separately identify the expected credit loss on the undrawn commitment. Thus, the expected credit loss on the undrawn commitments have been recognised together with the loss allowance for the loan. See Note 22 on expected credit loss on Loans and advances to customers.

44 Offsetting Financial Assets and Financial Liabilities

The information shown for 31 December 2024 relates to First Bank of Nigeria Limited, as no other entity within the Group has an offsetting arrangement.

Financial instruments subject to offsetting, enforceable master netting and similar arrangement are as follows

Group 31 December 2024	Gross amounts before offsetting in the statement of financial position	Gross amounts set off in the statement of financial position	Net amounts after offsetting in the statement of financial position	Amounts subject to master netting and similar arrangements not set off in the statement of financial position		Net amounts of exposure
				Financial instruments	Cash collaterals received	
	(a) ₦'millions	(b) ₦'millions	(c)= (a) - (b) ₦'millions	(d) ₦'millions	(e) ₦'millions	(f) =(c) - (e) ₦'millions
ASSETS						
Financial assets at fair value through profit or loss	180,228	-	180,228	-	-	180,228
Total Assets subject to offsetting, master netting and similar arrangements	180,228	-	180,228	-	-	180,228
LIABILITIES						
Financial derivatives	(45,598)	-	(45,598)	-	-	(45,598)
Total Liabilities subject to offsetting, master netting and similar arrangements	(45,598)	-	(45,598)	-	-	(45,598)

Notes to the Financial Statements

for the year ended 31 December 2024

Group 31 December 2023	Gross amounts before offsetting in the statement of financial position	Gross amounts set off in the statement of financial position	Net amounts after offsetting in the statement of financial position	Amounts subject to master netting and similar arrangements not set off in the statement of financial position		Net amounts of exposure
				Financial instruments	Cash collaterals received	
	(a) ₦'millions	(b) ₦'millions	(c)= (a) - (b) ₦'millions	(d) ₦'millions	(e) ₦'millions	(f) =(c) - (e) ₦'millions
ASSETS						
Financial assets at fair value through profit or loss	592,966	-	592,966	-	2,300	590,666
Total Assets subject to offsetting, master netting and similar arrangements	592,966	-	592,966	-	2,300	590,666
LIABILITIES						
Financial derivatives	75,260	-	75,260	-	-	75,260
Total Liabilities subject to offsetting, master netting and similar arrangements	75,260	-	75,260	-	-	75,260

The amount set off in the statement of financial position reported in column (b) is the lower of (i) the gross amount before offsetting reported in column (a) and (ii) the amount of the related instrument that is eligible for offsetting. Similarly, the amounts in columns (d) and (e) are limited to the exposure reported in column (c) for each individual instrument in order not to understate the ultimate net exposure.

44 Offsetting Financial Assets and Financial Liabilities continued

The Group has master netting arrangements with counterparty banks, which are enforceable in case of default. In addition, applicable legislation allows an entity to unilaterally set off trade receivables and payables that are due for payment, denominated in the same currency and outstanding with the same counterparty. These fall in the scope of the disclosure. The Group received and provided margin deposits as collateral for outstanding derivative positions. The Group or the counterparty may set off the Group's asset or liabilities with the margin deposit in case of default.

45 Related party transactions

The Group is controlled by First HoldCo Plc. which is the parent company, whose shares are widely held. First HoldCo Plc, is a non-operating financial holding company licensed by the Central Bank of Nigeria. (See note 28 for the list of all subsidiaries of the Group).

A number of transactions are entered into with related parties in the normal course of business. The volumes of related-party transactions, outstanding balances at the year-end, and related expense and income for the year are as follows:

45.1 Transactions with related parties

Name of entity	Nature of relationship	Nature of transactions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
First Bank of Nigeria Limited	Subsidiary	Placement	**2,592**	-
First Bank of Nigeria Limited	Subsidiary	Current account balance	**2,050**	2,059
First Bank of Nigeria Limited	Subsidiary	Bank charges	**16**	7
First Bank of Nigeria Limited	Subsidiary	Interest income	**740**	-
FBNQuest Merchant Bank Limited	Subsidiary	Current account balance	**17**	1
FBNQuest Merchant Bank Limited	Subsidiary	Placement	**13,591**	5,177
FBNQuest Merchant Bank Limited	Subsidiary	Interest income	**1,839**	222

Placements with related parties have maturities ranging from 30 days to 90 days and interest rates between 7.5% to 16%. Current account balances are balances in transactional operating accounts with related parties as at 31 December 2024.

45.2 Key management compensation

Key management includes Executive Directors and members of the Management Committee. The compensation paid or payable to key management for employee services excluding certain benefits is shown below:

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Salaries and other short-term employee benefits	**4,461**	3,482	**495**	487
Post-employment benefits	**301**	284	**301**	241
	4,762	3,766	**796**	728

45.3 Insider related credits

In compliance with the Central Bank of Nigeria Circular BSD/1/2004 on insider related credits, the company had no insider related credits during the year. Insider related credits relating to the banking subsidiaries have been appropriately disclosed in the respective financial statements of the subsidiaries.

Notes to the Financial Statements

for the year ended 31 December 2024

46 Directors' emoluments

Remuneration paid to the directors was:

	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Fees	343	433
Sitting allowances	81	75
Executive compensation	159	180
Other directors' costs and expenses	353	347
	936	1,035
Included in the fees above are amounts paid to:		
Chairman	63	64
Highest paid director	97	107

The number of directors who received fees and other emoluments in the following ranges was:

	Number	
	31 December 2024	31 December 2023
₦10,000,000 - ₦40,000,000	1	1
₦40,000,001 and above	8	8
	9	9

47 Compliance with regulations

In compliance with banking regulations during the year, the entities within the group paid penalties to the Central Bank of Nigeria as below:

(a) First Bank of Nigeria Limited

Description		₦'millions
(i)	CBN Cybersecurity penalty for delay in reporting identified incident	2.9
(ii)	Failure To address recommendations of External Auditors in line with CBN Directive (Management Letter)	2.0
(iii)	Unresolved customer complaint by Kaduna Branch	2.0
(iv)	Appointment of senior staff without CBN approval	5.0
(v)	Penalty for exceptions during the foreign exchange examination of the Bank April 2023 – March 2024	18.0
(vi)	Penalty for exceptions during the risk based supervisory examination of the bank for the period October 2022 - September 2023	4.0
		33.9

(b) In compliance with other regulations, the following penalties were paid by First HoldCo Plc:

During the year ended 31 December 2024, the Company paid penalty of ₦8.1 million to NGX Regulation Limited for the late submission of audited financial statements for the year ended 31 December 2023 and the unaudited financial statements for the period ended 31 March 2024.

48 Events after statement of financial position date

Subsequent to the year end, the Securities & Exchange Commission (SEC) approved the basis of allotment of the Rights Issue of Shares of the Company that was undertaken in 2024. This was after the Central Bank of Nigeria (CBN) completed the Share verification exercise. A total of 5.982 billion shares were issued to existing Shareholders at ₦25 per Share. The net proceed of the Rights Issue was received by the company in March 2025. Consequent upon the SEC approval, the shares would be listed on the Nigerian Exchange (NGX) and the Central Securities Clearing System (CSCS) accounts of the Shareholders would be credited accordingly.

In addition, in furtherance of the Shareholders' resolution/approval at its 12th Annual General Meeting (AGM) in November 2024 authorising the Company to raise additional Capital of up to ₦350billion, the company obtained the initial approval/non objection of the Capital raise from the CBN and SEC in March 2025.

49 Dividend

(i) Dividend paid

A cash dividend of ₦14.36 billion at ₦0.40 per share (2022: ₦17.95 billion) that related to the year ended, 31 December 2023 was paid in November 2024.

(ii) Dividend proposed

The Rights Circular of the recently concluded Rights Issue provided that the shares being issued will rank pari-passu in all respects with the existing issued ordinary shares of the company. Hence, with the allotments approval by the SEC, the total shares of the company has increased to 41,877,841,591 shares.

The Board of Directors, pursuant to the powers vested in it by the provisions of Section 426 of the Companies and Allied Matters Act (CAMA) 2020, has recommended a dividend of 60 Kobo per ordinary share, amounting to ₦25,126,704,955 (2023: ₦14,358,117,116.40 (40 Kobo per share)). Withholding tax will be deducted at the time of payment.

50 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year, excluding the average number of ordinary shares purchased by the members of the group and held as treasury shares.

The company does not have potential ordinary shares with convertible options and therefore there is no dilutive impact on the profit attributable to the equity holders of the parent.

Notes to the Financial Statements

for the year ended 31 December 2024

	Group		Company	
	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2024 ₦'millions	31 December 2023 ₦'millions
Profit from continuing operations attributable to owners of the parent (₦'million)	**657,110**	306,216	**26,224**	15,170
Profit from discontinued operations attributable to owners of the parent (₦'million)	**13,689**	1,987	**-**	-
Weighted average number of ordinary shares in issue (in million)	**35,895**	35,895	**35,895**	35,895
Basic/diluted earnings per share (expressed in Naira per share)				
- from continuing operations	**1,831**	853	**73**	42
- from discontinued operations	**38**	6	**-**	-
	1,869	859	**73**	42

The calculation of basic earnings per share is based on the profit attributable to equity holders of the parent and the number of basic weighted average number of shares.

51 Non audit services

The external auditors of First HoldCo Plc ("Company"), KPMG Professional Services rendered the following non audit services to the Company for the year.

Description of service	₦'millions
Limited assurance on internal control over financial reporting	**35**

52 Comparative

Certain disclosures and some prior year figures have been presented to conform with current year presentation

GROUP

Statement of profit or loss

For the year ended 31 December 2023	As previously reported ₦'millions	Reclassification ₦'millions	As represented ₦'millions
Revaluation (loss)/gain on foreign currency balances	(342,835)	9,025	(333,810)
Net monetary loss	-	(9,025)	(9,025)

Statement of cashflows

For the year ended 31 December 2023	As previously reported ₦'millions	Reclassification ₦'millions	As represented ₦'millions
Non cash adjusting item: Revaluation (loss)/gain on foreign currency balances	342,835	(9,025)	333,810
Non cash adjusting item: Net monetary loss	-	9,025	9,025

53 In line with the amendment to Rule 2b & Rule 3 (paragraph 4) and the issuance of new Rule 10 by the Financial Reporting Council of Nigeria (FRC), reporting entities are required to disclose the details of any professional providing any form of assurance services to the entity. In compliance, the Company did not enagage any professionals to provide assurance services during the year. The disclosure relating to the group is as provided below:

Name of Professional Firm	FRCN Number	Type of Service provided	Name of Principal Partner
Palmer and Partners	FRC/2017/NIESV/00000015986	Valuation of repossesed assets	Friday Palmer
Toyin Olatunbosun & Partners	FRC/2013/NIESV/00000005257	Valuation of repossesed assets	Toyin Olatunbosun
Jide Taiwo & Co	FRC/2012/0000000000254	Valuation of repossesed assets	Ige Beatrice Abosede
Ubosi Eleh & Co	FRC/2014/NIESV/00000003997	Valuation of repossesed assets	Emeka Eleh
Ernst & Young	FRC/2012/NAS/000000002392	Actuarial Valuation of retirement benefit obligation	Miller Kingsley
A. C. Otegbulu & Co	FRC/2013/NIESV/0000001582	Valuation of collaterals	Austin C. Otegbulu
Adegbonmire & Associates	FRC/2013/00000000001226	Valuation of collaterals	Adegbonmire
Ajayi Patunola & Co	FRC/2013/0000000000679	Valuation of collaterals	Ajayi Patunola
Alagbe & Partners	FRC/2013/NIESV/00000004334	Valuation of collaterals	Fred Akinnuoye
Arigbede & Co	FRC/2014/00000004634	Valuation of collaterals	Olawale Arigbede
Ben Eboreime & Co	FRC/2013/NIESV/00000003232	Valuation of collaterals	Ben Eboreime

Notes to the Financial Statements

for the year ended 31 December 2024

Name of Professional Firm	FRCN Number	Type of Service provided	Name of Principal Partner
Biodun Adegoke & Co	FRC/2015/NIESV/00000010747	Valuation of collaterals	Biodun Adegoke
Biodun Olapade & Co	FRC/2013/NIESV/00000004303	Valuation of collaterals	Biodun Olapade
Bola Onabadejo & Co	FRC/2013/00000000001601	Valuation of collaterals	Bola Onabadejo
Boye Komolafe & Co	FRC/2013/0000000000613	Valuation of collaterals	Adeboye Komolafe
Cbre Excellerate Nigeria	FRC/2014/NIESV/0000006738	Valuation of collaterals	Habinuchi Owhondah
Dan Odiete & Co	FRC/2014/NIESV/00000006456	Valuation of collaterals	Dan Odiete
Dipo Fakorede & Co	FRC/2012/NIESV/00000000324	Valuation of collaterals	Dipo Fakorede
Diya Fatimilehin & Co	FRC/2013/NIESV/00000000754	Valuation of collaterals	Diya Fatimilehin
Femi Arayela & Co	FRC/2018/NIESV/00000017965	Valuation of collaterals	Femi Arayela
Flo Partnership	FRC/2013/NIESV/00000000652	Valuation of collaterals	Isaac O. Folorunso
Gboyega Akerele And Partners	FRC/2012/00000000117	Valuation of collaterals	Gboyega Akerele
Ibukun Efuntayo & Co	FRC/2013/NIESV/00000003663	Valuation of collaterals	Ibukun Efuntayo
Idowu Shada & Co	FRC/2013/NIESV/00000002847	Valuation of collaterals	Idowu Shada
Imoh Ekanem & Co	FRC/2012/NIESV/00000000114	Valuation of collaterals	Imoh Ekanem
Jide Taiwo & Co	FRC/2012/0000000000254	Valuation of collaterals	Ige Beatrice Abosede
Joe Akhigbe & Associates	FRC/2012/NIESV/00000000292	Valuation of collaterals	Joe Akhigbe
Kene Onuora & Co	FRC/2013/NIESV/00000000752	Valuation of collaterals	Kene Onuora
Knight Frank	FRC/2013/0000000000584	Valuation of collaterals	Sunny Akpodiogaga
Mgbeoduru Sam & Co	FRC/2013/NIESV/00000003326	Valuation of collaterals	Sam Mgbeoduru
Nwokoma Nwankwo & Co	FRC/2012/0000000000200	Valuation of collaterals	Nwokoma Nwankwo
Odudu & Co	FRC/2012/NIESV/00000000198	Valuation of collaterals	William Odudu
Okaro & Associates	FRC/2015/NIESV/00000002947	Valuation of collaterals	J Okaro
Okey Ogbonna & Co	FRC/2013/NIESV/00000000964	Valuation of collaterals	Okey Ogbonna
Oni Ibitoye & Co	FRC/2015/NIESV/00000012607	Valuation of collaterals	Oni Ibitoye
Palmer & Partners	FRC/2017/NIESV/00000015986	Valuation of collaterals	Friday Palmer
Paul Osaji & Co	FRC/2013/00000001098	Valuation of collaterals	Paul Osaji
Sola Badmus & Co	FRC/2012/NIESV/00000000256	Valuation of collaterals	Sola Badmus
Sola Fatoki & Co	FRC/2013/NIESV/00000003589	Valuation of collaterals	Sola Fatoki
Toyin Olatunbosun & Partner	FRC/2013/NIESV/00000005257	Valuation of collaterals	Toyin Olatunbosun
Tunde Adejumo & Co	FRC/2012/NIESV/00000000247	Valuation of collaterals	Babatunde Adejumo
Ubosi Eleh & Co.	FRC/2014/NIESV/00000003997	Valuation of collaterals	Emeka Eleh
Udoetuk & Associates	FRC/2013/NIESV/00000002389	Valuation of collaterals	Ime Udoetuk
Una & Associates	FRC/2012/0000000000148	Valuation of collaterals	Patrick Una
Unigwe & Co	FRC/2012/0000000000130	Valuation of collaterals	Azubike Olaitan Unigwe
Victor Okpeva & Co	FRC/2013/NIESV/00000003029	Valuation of collaterals	Victor Okpeva
Wale Opejin & Co	FRC/2013/NIESV/00000003505	Valuation of collaterals	Wale Opejin

Other National Disclosures and Other Information

Other National Disclosures

Statement of Value Added - Group

at 31 December 2024

	31 December 2024 ₦'millions	%	31 December 2023 ₦'millions	%
Gross income	3,212,649		1,561,773	
Interest and fee expense	(1,055,728)		(423,650)	
	2,156,921		1,138,123	
Administrative overheads	(563,706)		(338,249)	
Value added	1,593,215	100	799,875	100
Distribution				
Employees				
- Salaries and benefits	308,472	19	175,901	22
Government				
- Minimum tax	14,584	1	8,282	1
- Income tax	118,393	7	39,433	5
The future				
- Asset replacement (depreciation)	44,384	3	29,053	4
- Asset replacement (amortisation)	17,598	1	13,825	2
- Asset replacement (provision for losses)	426,294	27	224,948	28
- Expansion (transfers to reserves)	663,490	41	308,433	39
	1,593,215	100	799,875	100

Other National Disclosures
Statement of Value Added - Company
at 31 December 2024

	31 December 2024 ₦'millions	%	31 December 2023 ₦'millions	%
Gross income	**34,194**		(21,021)	
Interest and fee expense	**(8)**		(6)	
	34,186		24,282	
Administrative overheads	**(4,603)**		(3,303)	
Value added	**29,583**	**100**	17,712	100
Distribution				
Employees				
- Salaries and benefits	**2,952**	**10**	2,194	12
Government				
- Company income tax	**36**	**-**	21	-
- Income tax	**1**	**-**	1	-
The future				
- Asset replacement (depreciation)	**370**	**1**	326	2
- Expansion (transfers to reserves)	**26,224**	**89**	15,170	86
	29,583	**100**	17,712	100

Other National Disclosures

Five Year Financial Summary - Company Statement of Financial Position

Company	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2022 ₦'millions	31 December 2021 ₦'millions	31 December 2020 ₦'millions
Assets:					
Loans and advances to banks	**23,269**	16,523	18,331	16,477	11,240
Loans and advances to customers	**178**	269	39	49	61
Financial assets at fair value through profit or loss	-	504	1,601	1,337	2,116
Investment securities	**14,504**	6,959	3,963	4,210	9,863
Investment in subsidiaries	**264,188**	262,671	262,671	262,671	262,671
Other assets	**24,138**	17,661	19,032	13,344	14,360
Property, plant and equipment	**545**	948	718	397	312
	326,822	305,535	306,355	298,485	300,623
Financed by:					
Share capital	**17,948**	17,948	17,948	17,948	17,948
Share premium	**233,392**	233,392	233,392	233,392	233,392
Reserves	**46,356**	35,125	37,717	30,946	35,525
Current tax liabilities	**49**	29	29	7	214
Other liabilities	**29,077**	19,041	17,269	16,192	13,544
	326,822	305,535	306,355	298,485	300,623

Other National Disclosures
Five Year Financial Summary - Company
Income Statement

	12 months ended 2024 ₦'millions	12 months ended 2023 ₦'millions	12 months ended 2022 ₦'millions	12 months ended 2021 ₦'millions	12 months ended 2020 ₦'millions
Gross earnings	**34,194**	21,021	24,285	17,135	38,602
Net operating income	**34,186**	21,014	24,281	17,134	18,699
Gain from disposal of subsidiary/associate	**-**	-	-	-	19,890
Operating expenses	**(7,922)**	(5,822)	(4,799)	(4,081)	(4,515)
Profit before taxation	**26,261**	15,192	19,483	13,053	34,073
Taxation	**(37)**	(22)	(23)	(5)	(213)
Profit after taxation	**26,224**	15,170	19,460	13,048	33,860
Earnings per share in kobo (basic)	**73**	42	54	36	94

Other National Disclosures

Five Year Financial Summary - Group

Statement of Financial Position

Group	31 December 2024 ₦'millions	31 December 2023 ₦'millions	31 December 2022 ₦'millions	31 December 2021 ₦'millions	31 December 2020 ₦'millions
Assets:					
Cash and balances with central banks	**4,415,186**	2,572,363	1,790,863	1,586,769	1,631,730
Loans and advances to banks	**3,302,480**	2,053,230	1,223,061	1,015,122	1,016,823
Loans and advances to customers	**8,767,888**	6,359,294	3,789,061	2,881,916	2,217,268
Financial assets at fair value through profit or loss	**443,567**	748,785	278,466	351,146	126,354
Investment securities	**6,536,395**	2,797,620	2,321,885	1,957,478	1,549,290
Assets pledged as collateral	**1,069,225**	1,519,094	595,171	718,662	635,913
Other assets	**1,139,720**	600,927	373,130	218,638	315,501
Investment in associates	**2,540**	2,005	1,185	1,009	1,163
Property and equipment	**222,164**	161,677	125,167	115,987	114,034
Intangible assets	**40,138**	33,557	15,859	19,018	15,340
Deferred tax assets	**53,706**	55,895	30,909	28,710	27,619
Assets held for sale	**531,209**	33,237	32,953	37,918	37,993
Total assets	**26,524,218**	16,937,684	10,577,710	8,932,373	7,689,028
Financed by:					
Share capital	**17,948**	17,948	17,948	17,948	17,948
Share premium	**233,392**	233,392	233,392	233,392	233,392
Reserves	**2,491,167**	1,467,238	732,289	618,111	504,746
Non-controlling interests	**52,827**	28,443	12,112	10,405	9,085
Deposits from banks	**2,922,432**	1,803,182	1,055,254	1,098,107	1,039,220
Deposits from customers	**17,170,690**	10,663,346	7,124,086	5,849,487	4,894,715
Financial liabilities at fair value through profit or loss	**50,256**	143,470	38,384	19,648	7,464
Financial liabilities at amortized cost	**198,188**	-	-	-	-
Borrowings	**1,559,353**	1,250,827	675,440	405,304	379,484
Retirement benefit obligations	**8,640**	8,036	5,699	5,392	7,527
Current tax liabilities	**122,563**	52,662	27,901	17,741	11,247
Other liabilities	**1,239,125**	1,261,833	652,554	654,350	581,720
Deferred tax liabilities	**11,645**	5,524	868	366	101
Liabilities held for sale	**445,992**	1,783	1,783	2,122	2,379
	26,524,218	16,937,684	10,577,710	8,932,373	7,689,028

Other National Disclosures
Five Year Financial Summary - Group
Income Statement

	12 months ended 2024 ₦'millions	12 months ended 2023 ₦'millions	12 months ended 2022 ₦'millions	12 months ended 2021 ₦'millions	12 months ended 2020 ₦'millions
Gross earnings	**3,212,649**	1,561,773	815,166	757,296	590,663
Net operating income	**2,156,386**	1,137,303	600,291	592,813	531,328
Operating expenses	**(934,160)**	(557,027)	(373,945)	(334,182)	(292,501)
Group's share of associate's results	**535**	820	175	(258)	482
Impairment charge for credit losses	**(426,294)**	(224,948)	(68,619)	(91,711)	(61,830)
Profit before taxation	**796,467**	356,148	157,902	166,662	83,703
Taxation	**(132,977)**	(47,715)	(21,591)	(15,515)	(8,111)
Profit from continuing operations	**663,490**	308,433	136,311	151,147	75,592
Profit/(loss) from discontinuing operations	**13,515**	1,937	(138)	(68)	14,138
Profit for the year	**677,005**	310,370	136,173	151,079	89,730
Profit attributable to:					
Owners of the parent	**670,799**	308,203	134,403	149,709	87,986
Non controlling interest	**6,206**	2,167	1,770	1,370	1,744
	677,005	310,370	136,173	151,079	89,730
Earnings per share in kobo (basic/diluted)	**1869**	859	375	417	245

Shareholder Information

Shareholder resources consist of the Notice of Annual General Meeting, proxy form, shareholder data update form, other shareholder-related forms and contact information.

Shareholder Resources

Dividend History as at 31 December 2024

First HoldCo Plc

Payment No.	Year End	Dividend Type	Date Payable	Total Net Dividend Amount (₦)	Dividend Per Share	Net Dividend Amount Unclaimed As At 31 December 2024 (₦)	% Net Dividend Amount Un-claimed
1	31-Dec-2012	Interim	03-Jun-2013	29,434,858,173.90	1.00	1,154,646,443.26	3.92
2	31-Dec-2013	Final	27-May-2014	32,408,788,807.89	1.10	1,566,064,417.06	4.83
3	31-Dec-2014	Final	25-May-2015	2,963,937,941.77	0.10	280,147,000.96	9.45
4	31-Dec-2015	Final	30-May-2016	4,889,733,076.23	0.15	535,649,999.47	10.95
5	31-Dec-2016	Final	22-May-2017	6,512,770,910.98	0.20	707,390,643.24	10.86
6	31-Dec-2017	Final	16-May-2018	8,141,810,416.31	0.25	1,004,594,274.49	12.34
7	31-Dec-2018	Final	06-May-2019	8,463,553,721.79	0.26	1,452,537,126.24	17.16
8	31-Dec-2019	Final	28-Apr-2020	12,371,715,777.28	0.38	2,249,306,099.48	18.18
9	31-Dec-2020	Final	28-Apr-2021	14,698,822,774.81	0.45	2,674,509,983.40	18.20
10	31-Dec-2021	Final	21-Jun-2022	11,399,909,146.64	0.35	2,101,721,985.22	18.44
11	31-Dec-2022	Final	16-Aug-2023	16,248,457,349.40	0.50	3,182,670,591.30	19.59
12	31-Dec-2023	Final	15-Nov-2024	12,997,273,139.24	0.40	4,878,564,029.00	37.54
TOTAL				**160,531,631,236.24**		**21,787,802,593.12**	37.54

For more details, the First HoldCo Plc list of Unclaimed Dividend can be accessed through the Company's website at https://www.first-holdco.com/investor-relations/shareholder-information/unclaimed-dividends/

Credit Ratings Summary

	Rated Entity	Report Date	Local Currency (LC) Ratings	Foreign Currency (FC) Ratings	Outlook
Global Credit Rating	FirstBank	October 2024	A+(NG)		Stable
Fitch*	FirstHoldCo	July 2024	A(nga)	B-	Positive
	FirstBank	July 2024	A(nga)	B-	Positive
Standard & Poor's	FirstHoldCo	September 2024	ngBBB- /ngA-3	B-	Stable
	FirstBank	September 2024	ngBBB+ /ngA-2	B-	Stable

FirstHoldCo and Equity Market Statistics as at 31 December 2024

		2024	2023
FirstHoldCo Share Price	High for the year (₦)	43.95	29.40
	Low for the year (₦)	18.50	10.30
	Closing (₦)	28.05	23.55
FirstHoldCo Share Statistics			
	Total volume of shares traded (million)	6,758.45	9,446.43
	Total value of shares traded (₦'mn)	171,080.94	166,130.90
	Market capitalisation (₦'mn)	1,006,862.96	845,334.15
Market Indicators	NSE All Share Index	102,926.40	74,773.77
	Equities market capitalisation (₦'tn)	62.76	40.92

*In April 2025, Fitch Ratings upgraded FirstHoldCo and FirstBank Foreign Currency Ratings to 'B' with a 'Stable' outlook.

FirstHoldCo

Notice of 13th Annual General Meeting

NOTICE IS HEREBY GIVEN that the 13th Annual General Meeting (AGM) of members of First HoldCo Plc will be held at the Grand Ballroom, Oriental Hotel, 3 Lekki - Epe Expressway, Victoria Island, Lagos on Thursday, 22 May 2025, at 10a.m. or so soon thereafter to transact the following:

Ordinary Business:

1. To receive the audited accounts for the financial year ended 31 December 2024, together with the reports of the Directors, Auditor, Board Appraisers and Audit Committee thereon.
2. To declare a dividend.
3. To authorise the Directors to fix the remuneration of the Auditor.
4. To disclose the remuneration of Managers of the Company.
5. To elect members of the Audit Committee.

Notes:

1. Proxy

A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote in his stead. A proxy also need not be a member. All instruments of proxy must be duly stamped at the Stamp Duties Office and deposited at the Registered Office of the Company or the office of the Registrars, Meristem Registrars & Probate Services Limited, 213, Herbert Macaulay Way, Adekunle, Yaba, Lagos, Nigeria, not later than 48 hours before the time for holding the meeting. If the proxy form is executed by a corporate body, the proxy form should be sealed with its common seal.

Where a shareholder who has appointed a proxy attends the meeting and he/she elects to vote through any of the channels provided by the Company and not through the appointed proxy, such shareholder must communicate this in writing to the Company Secretary prior to the commencement of the meeting. In such circumstances, the proxy will not be entitled to vote.

NOTE: All instruments of proxy shall be stamped at the Company's expense.

2. Dividend

If the proposed dividend recommended by the Directors is approved by members at the AGM, the dividend will be payable on Friday, 23 May 2025, to members whose names appear in the Register of Members at the close of business on 12 May 2025. Shareholders who have completed the e-dividend Mandate forms will receive direct credit of the dividend into their bank accounts.

3. Closure of Register of members

In accordance with Section 114 of Companies and Allied Matters Act, 2020 (CAMA), please note that the Register of Members and Transfer Books of the Company will be closed from May 13-14, 2025 (both dates inclusive) to enable the Registrars update records in preparation for the payment of dividend.

4. E-Dividend Mandate

Shareholders are kindly requested to update their records and advise Meristem Registrars & Probate Services Limited of their updated records and relevant bank accounts for payment of their dividends. Detachable forms in respect of mandate for e-dividend payment, and shareholder data update are attached to the Annual Report for convenience. The forms can also be downloaded from the Company's website at www.first-holdco.com or from Meristem Registrars & Probate Services Limited's website at www.meristemregistrars.com.

The duly completed form should be delivered to Meristem Registrars & Probate Services Limited, 213, Hebert Macaulay Way, Adekunle, Yaba, Lagos, Nigeria.

5. Unclaimed Dividend Warrants

Shareholders are hereby informed that some dividend warrants have been returned to the Registrars as unclaimed, while some have neither been presented for payment nor to the Registrars for revalidation.

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Affected members are by this Notice advised to contact the Registrars, Meristem Registrars & Probate Services Limited, 213, Hebert Macaulay Way, Adekunle, Yaba, Lagos, Nigeria.

6. Statutory Audit Committee

In accordance with Section 404 (6) of CAMA, a shareholder may nominate another shareholder for appointment to the Audit Committee. Such nomination should be in writing and must reach the Company Secretary not less than 21 days before the AGM. The Companies and Allied Matters Act (CAMA), Code of Corporate Governance of the Financial Reporting Council, Securities and Exchange Commission (SEC) Guidelines and Central Bank of Nigeria (CBN) Corporate Governance Guidelines respectively, indicate that some of the members of the Audit Committee should have basic financial literacy and be knowledgeable in internal control processes.

In view of the above, we therefore request that nominations be accompanied by a copy of the nominee's Curriculum Vitae. The Curriculum Vitae of eligible candidates will be posted on the Company's website before the date of the meeting.

7. Right of Shareholders to ask Questions

Pursuant to Rule 19.12 (c) of the Nigerian Exchange Limited's Rulebook 2015, please note that it is the right of every shareholder to ask questions not only at the meeting but also in writing prior to the meeting. We urge that such questions be submitted to the Company Secretariat not later than two weeks before the date of the meeting.

8. Live Streaming of the AGM

The AGM will be streamed live online. This will enable Shareholders and other relevant Stakeholders who will not be attending the meeting physically to also be part of the proceedings. The link for the live streaming will be made available on the Company's website: www.first-holdco.com and by the Registrar, in due course.

By Order of the Board

Adewale L.O Arogundade
Company Secretary
FRC/2014/NBA/00000006810
35 Marina, Lagos.

Dated the 21st day of March 2025

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FirstHoldCo

Proxy Form

First Holdco Plc (RC 916455)

ANNUAL GENERAL MEETING will be held at the Grand Ballroom, Oriental Hotel, 3 Lekki - Epe Expressway, Victoria Island, Lagos on Thursday, 22 May 2025, at 10a.m.

I/We

(Name of Shareholder in block letters)

The undersigned, being a member of the above-named Company hereby appoint

or failing him, the Chairman of the meeting as our Proxy to vote for us and on our behalf at the Annual General Meeting of the Company to be held on 22 May 2025 and at any adjournment thereof.

Unless otherwise instructed, the Proxy will vote or abstain from voting as he/she thinks fit.

I/We desire this proxy to be used in favour of/or against the resolution as indicated below:

	Resolutions	For	Against
1.	To receive the audited accounts for the financial year ended 31 December 2024, together with the reports of the Directors, Auditor, Board Appraisers and Audit Committee thereon		
2.	To declare a dividend		
3.	To authorise the Directors to fix the remuneration of the Auditor		
4.	To disclose the remuneration of Managers of the Company		
5.	To elect members of the Statutory Audit Committee		

Please indicate with "X" in the appropriate box how you wish your vote to be cast on the resolutions set out above.
Unless otherwise instructed, the Proxy will vote or abstain from voting at his/her discretion.

Dated this day of 2025

Signature

NOTES:

1. This form of proxy together with the Power of Attorney or other authority, if any, under which it is signed or a notarial certified copy thereof must reach the office of FirstHoldCo's Registrars; Meristem Registrars and Probate Services Limited, 213 Herbert Macaulay Way Yaba, Lagos not later than 48 hours before the time for holding the meeting.
2. Where the appointer is a corporation, this form may be under seal or under the hand of any officer or attorney duly authorised.
3. In the case of joint holders, the signature of any one of them will suffice, but the names of all joint holders should be shown.
4. It is a legal requirement that all instruments of proxy must bear appropriate stamp duty (currently ₦500.00) from the Stamp Duties Office.

Before posting the above form, please tear off this part and retain it for admission to the meeting.

Admission Form

First Holdco Plc (RC 916455)

ANNUAL GENERAL MEETING will be held at the Grand Ballroom, Oriental Hotel, 3 Lekki - Epe Expressway, Victoria Island, Lagos on

Thursday, 22 May 2025, at 10a.m.

*Name of Shareholder

*Name of Proxy (IF YOU ARE UNABLE TO ATTEND THE MEETING)

A member (shareholder) entitled to attend and vote is entitled to appoint one or more Proxies to attend and vote instead of him. A Proxy need not be a member. The above proxy form has been prepared to enable you exercise your right to vote.

IMPORTANT: Please insert your name in BLOCK CAPITALS on both proxy and admission forms where asterisked. Insert the name of any person whether a member of the company or not, with the exception of the Chairman of the Company, who will attend the meeting and vote on your behalf.

E-Dividend Mandate Management System (E-DMMS) Form

Affix Current Passport Here

(To be stamped by Bankers)

Write your name at the back of your passport photograph

INSTRUCTION

Please fill out all compulsory(*) fields and complete all sections of this form to make it eligible for processing and return to the address below.

THE REGISTRAR

Meristem Registrars & Probate Services Limited
213, Herbert Macaulay Way, Adekunle-Yaba,
P.O. Box 51585, Falomo-Ikoyi, Lagos State.

I/We hereby request that henceforth, all my/our dividend payment(s) due to me/us from my/our holdings in **First Holdco Plc** be credited directly to my/our bank detailed below:

Bank verification number (BVN)					
Bank name					
Bank branch					
Bank address					
		Bank account number			
Account opening date		Account type (tick)	Current		Savings

SHAREHOLDER ACCOUNT INFORMATION

Surname*	First name*
Other names*	Address*
City*	State*
Country*	CHN (if any)
Previous address (if any)	
Email address	
Mobile number 1*	Mobile number 2*

Signature(s)*	Joint/Company's signatories*	Company's seal*
Authorised signature of banker		Authorised stamp of banker

MERISTEM
REGISTRARS AND PROBATE SERVICES LIMITED

Meristem Registrars & Probate Services Limited
www.meristemng.com
info@meristemregistrars.com

FirstHoldCo

Shareholder Data Update Form

INSTRUCTION

Please submit or post the completed form to The Registrar, Meristem Registrars & Probate Services Limited, 213 Herbert Macaulay Way, Adekunle-Yaba, P.O.Box 51585, Falomo-Ikoyi, Lagos State or through any of the branches of First Bank of Nigeria Limited or to the Company Secretary/Investor Relations Offices of First Holdco Plc for onward delivery to the Registrar.

We are committed to updating the records of our shareholders and to achieve this, please fill out all the compulsory (*) fields in the form below:

Surname*	
First name*	
Other names	
Email address*	
Mobile number*	

Old address*

New addresses
(To be used for address update)*

Next of kin	
Next of kin's phone number	

I/we hereby authorise First Holdco Plc to update my/our shareholding accounts with the above information

Individual shareholder signature*	Joint shareholder signature*
Corporate shareholder*	Company seal*

Kindly download the form from our website
www.first-holdco.com

APPENDIX - Complaints Management Policy

1.0 Introduction

First HoldCo Plc (the Group) is committed to delivering a high standard of service to all its stakeholders. The Group seeks to maintain its reputation as a group of companies delivering high-quality professional services, committed to responding to the needs and concerns of its various stakeholders.

A complaint, for the purpose of this Policy, is defined as 'an expression of dissatisfaction made to an organisation, related to its products and or services, or the complaints-handling process itself, where a response or resolution is explicitly or implicitly expected'.

This Policy is designed to align with relevant regulatory requirements and best practices in complaints management, and, to meet the requirements of the following regulators:

- The Central Bank of Nigeria (CBN);
- The Securities and Exchange Commission (SEC); and
- The Nigerian Exchange Limited (NGX).

Where necessary, the principles contained in this Policy shall guide the Group's subsidiaries in developing their respective sector-specific Complaints Management Policies and Guidelines.

2.0 Objectives of the Policy

This Policy is aimed at ensuring prompt and efficient management of complaints brought to the attention of the Group. It is also intended to improve service delivery by enabling the Group to identify areas of concern, remedy problematic or unfair situations, enhance operating methods and ensure efficient, fair, and prompt handling of all complaints received.

Specific objectives of this Policy are to ensure that:

- The complainant is provided with access to an open and responsive Complaints Management Policy;
- Complaints are resolved in a consistent, systematic and responsive manner to the satisfaction of the complainant and the Group;
- Causes of complaints are identified and resolved/eliminated;
- Trends are monitored towards improving the Group's operations; and
- The Group complies with all relevant sector-specific regulations on complaints management as issued by the Regulators.

3.0 Scope of the Policy

This Policy shall apply to:

- First HoldCo Plc, subsidiary companies and staff within the Group;
- All internal and external customers/clients;
- Third parties working in association, partnership or in contractual arrangements with entities within the Group;
- Third-party auditors and service providers;
- External organisations providing customer representation such as advocacy and complaints services; and
- Other stakeholders not listed above.

4.0 Complaints to be Handled by this Policy

This Policy is designed to manage the following types of complaints:

- Customer/client complaints, including complaints that may require formal or informal feedback, concerns, statements of issues/omissions, and points of disagreement or dispute;
- Complaints by competitors in any of the business groups;
- Complaints by or through regulators, such as the CBN, SEC, NGX and or self-regulatory organisations such as the Financial Market Dealers Quotation; and
- Other complaints which could be in the form of trade manipulations, accounting frauds, Ponzi schemes, etc;

All complaints to relevant entities in the Group shall be forwarded to the address contained in this policy.

All complaints shall contain at the minimum the following:

The complainant's:
- Name
- Full address
- Mobile number
- Email address
- Signature
- Date
- Nature/description of complaint(s)
- Other supporting document

4.1 Complaints not Covered by this Policy

This Policy does not cover complaints that:

- Relate to matters that are sub-judice or in arbitration, including employee-related disputes;
- Fall outside the purview of the business of the Group; and
- Do not require a resolution or formal follow-up.

APPENDIX - Complaints Management Policy

5.0 Complaints Management Principles

In line with leading practices, the under listed principles shall guide FirstHoldCo complaints management process:

Principle	Application
Visibility	• The Complaints Management Policy is well publicised to customers, clients, staff, and other stakeholders on the FirstHoldCo website, with extracts of the policy in the Annual Report and Accounts.
Accessibility	• The Complaints Management Policy is available to all customers/clients and other stakeholders, and is user-friendly. Complaints are welcome from customers/clients who are dissatisfied with the Group member's decisions, actions, or services.
Responsiveness	• Complaints will be acknowledged and resolved promptly. • Complaints will be handled in an efficient and effective manner and accorded the urgency it deserves. • Complainants will be treated courteously and kept informed of the progress of their complaints throughout the complaint-handling process.
Objectivity	• Each complaint is addressed in an equitable, objective, and unbiased manner through the complaints management process.
Charges	• Access to the Group's complaints management process is free of any charge to the complainant.
Confidentiality	• Complaints are handled confidentially to avoid any form of embarrassment to innocent people. Identifiable information of the complainant is actively protected from disclosure and only made available for the purposes of addressing the complaint.
Client-Focused Approach	• Group members are committed to efficient, prompt, and fair resolution of complaints. The Group is open to feedback and constantly reminds customers/clients of their right to make complaints.
Accountability	• The Group accepts responsibility for effective complaints handling, and units responsible for complaints management will ensure that, where appropriate, issues raised because of failure in the complaints handling process are adequately addressed.
Continual Improvement	• The complaints management policy and process is reviewed once every three years to enhance its overall efficiency and delivery of effective outcomes.

6.0 Board and Management Commitment to the Policy

- The Board and Management are highly committed to promoting an effective and efficient complaints handling process across the Group, and adequate resources shall be deployed towards ensuring the achievement of this objective;
- Regular complaints management training entrenches best-in-class complaints handling techniques and strict adherence to the complaints handling policy; and
- All complaints received shall be acknowledged and analysed to help inform continuous quality improvement initiatives.

7.0 Policy Statement

- This Policy is designed to provide guidance on how the Group manages complaints. FirstHoldCo is committed to achieving service excellence and will strive to deliver services in a professional, consistent, coordinated, and timely manner; and
- The Group encourages all stakeholders (complainants) to lodge their complaints as this helps the Group to improve its services and products. In addition, the Group encourages staff to respect customers/clients and endeavour to anticipate customers/clients' needs and expectations.

The Group is committed to the following:

- Creating awareness among our stakeholders of the Group's complaint management process;
- Helping customers/clients and staff understand our complaints handling process;
- Investigating complaints impartially with a balanced view of available information or evidence;
- Considering complaints on their merits, taking account of individual circumstances; and
- Recognising customers/clients' right to provide feedback and complain about the product or services rendered.

Finally, the Policy shall be made available to all stakeholders on the website of FirstHoldCo and an extract of the Policy shall also be made available to shareholders in the First HoldCo Plc Annual Report and Accounts.

8.0 Assessment and Investigation of Complaints

The following six steps shall be taken to assess and investigate any complaint from customers, shareholders and other stakeholders.

- **Step 1:** Assessment of the complaints to understand the product and or services that caused the complaints to occur;
- **Step 2:** Investigate the complaints by reviewing the policies, processes, codes of practice, product information, account information or service charters that are relevant;
- **Step 3:** Weighing the evidence by considering common pitfalls such as incorrect information, gaps in policy or process, staff working on old versions of policy manuals or process documents. Measure the evidence against extant legislation, regulations and guidance circulars, Internal policies and procedures, service charters, terms and conditions, precedents and contract provisions;
- **Step 4:** Correcting mistakes and taking positive steps to avoid repetition of the problem;
- **Step 5:** Putting things right. A complaint should be used as an opportunity to look at what you can do to improve the way things are done – even if a mistake has not been made; and
- **Step 6:** Respond. An effective written response has the ability to reassure a customer and demonstrate the professionalism and commitment to customer service of your organisation. A response should concentrate, where possible, on the positives and show the customer that you understand their feelings.

9.0 Time Limit for Investigation of Complaints, Regulatory Reporting Responsibility and Complaints Register

- In line with the Policy, all complaints are handled promptly. While it might not be possible to set a specified time limit for the resolution of complaints, given their diverse nature, subsidiaries shall strive to resolve all complaints within the time limits specified by the respective sector-specific regulators;
- Where regulators require the Group office (First HoldCo Plc) or entities within the Group to render regular reports on complaints, entities affected by such requirements shall be responsible for such regulatory returns, while the Compliance functions of the affected entities shall monitor compliance with such regulatory reporting requirements and ensure implementation of this Policy; and,
- In line with SEC and NGX requirements, entities within the Group, operating in the Capital Market (Capital Market Operators–CMO), shall be required to maintain an electronic complaints register, which will be updated monthly with the following:
  - Name of the complainants
  - Date of the complaint
  - Nature of the complaint
  - Brief details of the complaint
  - Status of resolution
  - Remarks/comments

APPENDIX - Complaints Management Policy

Subsidiary	Business address	Telephone number	Email address
First Bank of Nigeria Limited	Samuel Asabia House, 35 Marina, Lagos State, Nigeria	+234 201 448 5500, +234 708 062 5000, +234 807 019 4190, 0700 FIRSTCONTACT	complaints@firstbanknigeria.com; firstcontactcomplaints@firstbanknigeria.com
FirstCap Limited	16 Keffi Street, Off Awolowo Road, S.W. Ikoyi, Lagos State, Nigeria	+234 201 888 6722 +234 704 798 9298	customercareunit@firstcapltd.com
First Asset Management Limited	16 Keffi Street, Off Awolowo Road, S.W. Ikoyi, Lagos State, Nigeria	+234 201 888 6722 +234 704 798 9298	invest@first-assetmanagement.com
First Securities Brokers Limited	2 Broad Street, Lagos Island, Lagos State, Nigeria	+234 201 888 6722	customercareunit@first-securities.com; sec-traders@first-securities.com
First Trustees Limited	16 Keffi Street, Off Awolowo Road, S.W. Ikoyi, Lagos State, Nigeria	+234 201 888 6722	contacttrustees@firsttrustees.com
First Insurance Brokers Limited	2nd Floor, Coomassie House, Plot 777, Muhammadu Buhari Way Central Area, FCT Abuja, Nigeria	+234 802 244 7086	fibinfo@firstinsurancebrokers.com
	9/11 Macarthy Street, Onikan, Lagos State, Nigeria	+234 201 270 3379	
	48 Molete Challenge Road, 3rd Floor, Opposite Oyo State Motor Park, Ibadan, Oyo State, Nigeria	+234 1 270 3379; +234 201 270 3379	
	22/24 Aba Road, 2nd Floor c/o First Bank of Nigeria Limited Main Branch, Port Harcourt, Rivers State, Nigeria	+234 803 811 3369	

All complaints from shareholders and other stakeholders relating to First HoldCo Plc shall be directed to:

First HoldCo Plc Company Secretariat or Investor Relations Department
Samuel Asabia House, 35 Marina, P. O Box 5216 Lagos State, Nigeria

companysecretariat@first-holdco.com   +234 201 905 2222; +234 201 905 2223
or
investor.relations@first-holdco.com   +234 201 905 2720; +234 201 905 1086

Glossary of Ratios

RATIOS		BASIS OF COMPUTATION
Average cost of deposits	=	Interest expense (on deposits) / Average deposit (i.e. opening + closing balance)/2
Basic earnings per share	=	Profit attributable to ordinary shareholders (after deduction of debenture interest and tax) / Weighted average number of shares in issue
Book value per share (BVPS)	=	Shareholders' funds / Number of outstanding shares in issue (35,895,292,792 units)*
Cost of borrowed funds	=	Interest expense on borrowed funds / Average borrowed funds (opening + closing)/2
Cost of funds	=	Interest expense / Average interest-bearing liabilities (opening + closing)/2
Cost of interbank takings	=	Interest expense on interbank takings / Average interbank takings (opening + closing)/2
Cost of managed funds	=	Expense on managed funds / Liabilities on investment contracts
Cost of risk	=	Loan loss expense / Average gross loans to customers (opening + closing)/2
Cost to income ratio	=	Operating expenses / Operating income
Debt to capital	=	Debt / Debt + equity
Dividend per share	=	Dividend / Number of outstanding shares in issue (35,895,292,792 units)*
Gearing ratio	=	Debt / Total shareholders' funds
Interest earning assets	=	Due from other banks + treasury bills + Securities (bonds) + loans and advances
Leverage	=	Total assets / Total shareholders' funds
Liquidity ratio	=	Liquid assets / Deposit liabilities (as prescribed by the CBN)
Loan to deposit ratio	=	Total loans / Total deposit
Net interest margin	=	Net interest income / Average interest-earning assets (i.e. opening + closing)/2
Net loans	=	Gross loans – loan loss provision
Net revenue	=	Net interest income + net fee and commission income + other income
NPL coverage	=	Loan loss provision (including interest in suspense) + Regulatory Risk Reserve / NPL
NPL ratio	=	Non-performing loans / Gross loans
Operating profit margin	=	Operating profit / Gross earnings
Pre-provision operating profit	=	Operating profit + impairment charge on credit losses

*Number of outstanding shares as at 31 December 2024.

Glossary of Ratios

RATIOS		BASIS OF COMPUTATION
Price to book	=	$\frac{\text{Market value per share}}{\text{Book value per share}}$
Price earnings	=	$\frac{\text{Market value per share}}{\text{Earnings per share}}$
Return on average assets	=	$\frac{\text{Profit after tax}}{\text{Average total asset}} \times 100$
Return on average equity	=	$\frac{\text{Profit after tax}}{\text{Average total equity}} \times 100$
Risk weighted assets*	=	Assets x weight of risks
Tier 1 ratio	=	$\frac{\text{Total tier 1 capital}}{\text{Risk weighted assets}}$
Tier 2 ratio	=	$\frac{\text{Total tier 2 capital}}{\text{Risk weighted assets}}$
Total capital adequacy ratio	=	$\frac{\text{Total qualifying capital}}{\text{Risk weighted assets}}$
Yield on interest earning assets	=	$\frac{\text{Interest income}}{\text{Average interest earning assets}}$

*Risk weighted assests: Risk asset is computed using risk weights as defined by CBN/Basel

Abbreviation

2FA	Second-Factor Authentication
3LoD	Three Lines of Defence
ABSC	Associate of the British Society of Commerce London
ACII	Associate Member of the Chartered Insurance Institutes of London
ACIIN	Associate Member of the Chartered Insurance Institutes of Nigeria
AFC	Africa Finance Corporation.
AGM	Annual General Meeting
AI	Artificial Intelligence
AIAB	Associate of the International Associationof Bookkeepers London
ALM	Asset Liability Management
AML	Anti-Money Laundering
AMP	Advancement Management Programme
ANCRIB	Associate Member of the Nigerian Council of Registered Insurance Brokers
ANIM	Associate, Nigeria Institute of Management
ARIN	Association of Radiologists in Nigeria
ASBON	Association of Small Business Owners of Nigeria
AUM	Assets Under Management
BAC	Board Audit Committee
BAP	Biller Aggregation Platform
BCM	Business Continuity Management
BCP/DR	Robust Business Continuity and Disaster Recovery
BFIC	Board Finance and Investment Committee
BORM	Business Operational Risk Managers
BRMC	Board Risk Management Committee
BRNGC	Board Renumeration, Nomination and Governance Committee
BVN	Bank Verification Number

BVPS	Book Value Per Share
CAMA	Companies and Allied Matters Act
CAMERA	Committee for the Advancement of MRI Education and Research in Africa
CAPEX	Capital Expenditure
CBN	Central Bank of Nigeria
CBT	Computer Based Training
CDR	Carbon Dioxide Removal
CFO	Chief Financial Officer
CIBN	Chartered Institute of Bankers of Nigeria
CITN	Chartered Institute of Taxation of Nigeria
CON	Commander of the Order of the Niger
CoP	Communication on Progress
CoR	Cost of Risk
CPFA	Closed Pension Fund Administrators
CPIN	Certified Pension Institute of Nigeria
CR&S	Corporate Responsibility and Sustainability
CRO	Chief Risk Officer
CSEAN	Cybersecurity Experts Association of Nigeria
CSR	Corporate Social Responsibility
DLP	Data Loss Prevention
DXC	Best Use of Technology for Customer Experience
EPIC	Entrepreneurship, Professionalism, Innovation and Customer-centricity
EPS	Earnings Per Share
ERM	Enterprise Risk Management
ESG	Environmental, Social and Governance
ESGMS	Environmental, Social and Governance System
EVP	Employee Value Proposition
EY	Ernst & Young International

Abbreviation

FC	Foreign Currency
FCA	Fellow Institute of Chartered Accountants
FCIB	Fellow of the Chartered Institute of Bankers of Nigeria
FLO	Fata Lero Olileanya Foundation
FO	Forte Oil
FRC	Financial Reporting Council
FTP	Fund Transfer Pricing
GBVH	Gender Based Violence and Harassment
GEC	Group Executive Committee
GHG	Greenhouse Gas
GMD	Group Managing Director
GPTW	Great Place to Work
GRI	Global Reporting Initiative
GRSC	Group Risk Stakeholders Committee
IBAM	Investment Banking and Asset Management
ICAN	Institute of Chartered Accountants of Nigeria
IDRS	Industry Dispute Resolution System
IESE	International Graduate School of Management
IFRS	International Financial Reporting Standards
iGRCS	Integrated Governance, Risk and Compliance Solutions
IoD	Institute of Directors
IR	Investor Relations
JAN	Junior Achievement Nigeria
KPI	Key Performance Index
KRI	Key Risk Indicators
LCR	Liquidity Coverage Ratio
LDP	Leadership Development Programme
MAI LAB	Medical Artificial Intelligence Laboratory, Africa
MANCO	Management Committee
MBA	Master of Business Administration
MBF	Master's of Banking & Finance
MDA	Ministries, Departments, and Agencies
ML	Machine Learning
MSME	Micro, Small, and Medium Enterprises
NAICOM	National Insurance Commission
NCF	Nigerian Conservation Foundation
NCOY	National Company of the Year
NDIC	Nigeria Deposit Insurance Corporation
NERC	Nigerian Electricity Regulatory Commission
NGX	Nigerian Exchange Limited
NIBSS	Nigeria Interbank Settlement System
NIPC	Nigerian Investment Promotion Council
NOP	Net Open Position
NPL	Non-Performing Loans
NSBP	Nigerian Sustainable Banking Principles
NSFR	Net Stable Funding Ratio
NSSA	Noble Shareholders Solidarity Association
ORC	Operational Risk Champions
PAL	Pensions Alliance Limited
PBT	Profit Before Tax
PenCom	National Pension Commission
PFA	Pension Fund Administrator
PwC	PriceWaterhouseCooper
QSP	Quick Service Points
QWN	Quest Women's Network
RCSA	Risk Control Self-Assessment
ROaA	Return on Average Assets
ROaE	Return on Average Equity
RPA	Robotics Process Automation
RSA	Retirement Savings Account
RSNA	Radiology Society of North America
SAC	Statutory Audit Committee
SAN	Senior Advocate of Nigeria

Abbreviation

SBU	Strategic Business Unit
SCBN	Standard Chartered Bank Nigeria
SCGG	SEC Corporate Governance Guidelines
SDG	Sustainable Development Goals
SEC	Securities and Exchange Commission.
SOL	Single Obligor Limit
SPARK	Spread Acts of Random Kindness
SPV	Special Purpose Vehicles
SRF	Strategic Resource Function
SWAN	Society of Women Accountants of Nigeria
TM	Talent Management
UN	United Nations
UNCTAD	United Nations Trade and Development
UNGC	United Naitons Global Compact
UORM	Unit Operational Risk Managers
VaR	Value at Risk
WARR	Weighted Average Risk Rating
WEP	Women Empowerment Principle
XDR/EDR	Extended Detection and Response

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FirstBank DRC Limited	191 Avenue de L'Equateur, Kinshasa/Gombe, DRC	+243 82 191 8888, +243 81 555 8858
First Bank Ghana Limited	Plot No: 6, 7 and 9 Liberation Road Accra, 111 Liberation Road, Accra Ghana. GA-007-8141	+233 302 23 6133, +233 302 23 5819
FirstBank Guinea Limited	Immeuble Kalinko Dye, Boulevard Telli Diallo, Koulewondy Commune, Kaloum, Conakry, Guinea	+224 611 711 010
FirstBank Sierra Leone Limited	3 Charlotte Street, Freetown, Sierra Leone	+232 77 995 481, +232 74 518 558
FirstBank Gambia Limited	38, Kairaba Avenue, Serrekunda, KSMD, P.O. Box 1600, Banjul, The Gambia	+220 799 3502, +220 437 7889, +220 914 7426
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	22/24 Aba Road, 2nd Floor c/o First Bank of Nigeria Limited Main Branch, Port Harcourt, Rivers State, Nigeria	+234 803 811 3369

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