A BETTER BANK FOR A BETTER AFRICA

Ecobank Group
Annual Report 2023

A BETTER BANK FOR A BETTER AFRICA

ECOBANK GROUP
ANNUAL REPORT
2023

Ecobank
The Pan African Bank

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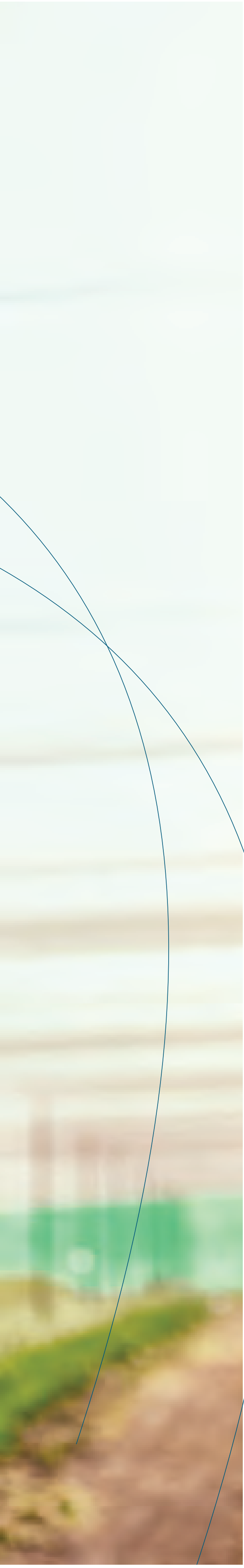


Pan-African. Diversified. Customer-centric.

A better way.
A better Africa.

Vision and mission driven

Our vision:

To build a world class pan-African bank and contribute to the economic development and financial integration of Africa.

Our mission:

To provide all of our customers with convenient and reliable financial products and services.

Our performance

For the year ended 31 December (in millions of US dollars, except per share and ratio data)	2023	2022
Selected income statement data		
Operating income (net revenue)	2,064	1,862
Operating expenses	1,113	1,050
Pre-provision, pre-tax operating profit	951	811
Impairment charges on financial assets	330	198
Non-conversion premium on bonds	0	40
Operating profit after impairment charges on financial assets	621	573
Profit before tax	581	540
Profit for the year	407	367
Profit after tax attributable to ETI shareholders	288	286
Profit attributable per share ($):		
• Basic	1.170	1.165
• Diluted	1.170	1.165
Selected statement of financial position data		
Net loans and advances to customers	10,543	11,003
Total assets	27,230	29,004
Risk-weighted assets	13,933	15,356
Deposits from customers	19,974	20,813
Equity attributable to ordinary shareholders	1,054	1,395
Total equity	1,734	2,027
Ordinary shares outstanding (in million)	24,730	24,730
Book value per ordinary share ($ cent)[1]	4.26	5.64
Tangible book value per ordinary share (TBVPS) ($ cent)	4.04	5.30
ETI share price ($ cent)[2]		
• High	2.84	3.15
• Low	2.53	2.05
• Period end	2.29	2.30
Market capitalisation ($ million)	567	569
Selected ratios		
Profit for the year to average total assets (ROA)	1.4%	1.3%
Profit for the year to total equity (ROE)[3]	23.5%	19.6%
Profit for the year to tangible total equity (ROTE)	24.9%	21.1%
Common equity Tier 1 capital ratio	10.4%	9.6%
Tier 1 capital ratio	11.1%	10.2%
Total capital adequacy ratio (CAR)	15.0%	14.2%
Net interest margin	5.4%	4.9%
Cost-to-income ratio	53.9%	56.4%
Non-performing loans ratio	5.4%	5.2%
Non-performing loans coverage ratio	86.5%	86.5%

1 The Book value per ordinary share (BVPS) is computed by dividing the Group's shareholders' equity at period-end with the number of ordinary shares outstanding at period-end.

2 ETI share price on the Nigerian Stock Exchange at period-end converted into US dollars using Bloomberg applicable rate at period-end.

3 ROE is computed using profit available to ETI (parent company) shareholders divided by the average end-of-period ETI shareholders' equity. ROTE is computed using profit available to ETI shareholders divided by the average end-of-period tangible shareholders' equity. Tangible shareholders' equity is ETI shareholders' equity less non-controlling interests, goodwill and intangible assets.

Return on tangible equity

24.9%

improved from 21.1% in 2022

Total CAR

15.0%

improved from 14.2% in 2022

Profit before tax

$581m

up 8% from 2022

Net revenue

$2.1bn

up 11% from 2022

Sustainability-linked financing

$550m

Up from $350m in 2022

Women in management & executive positions

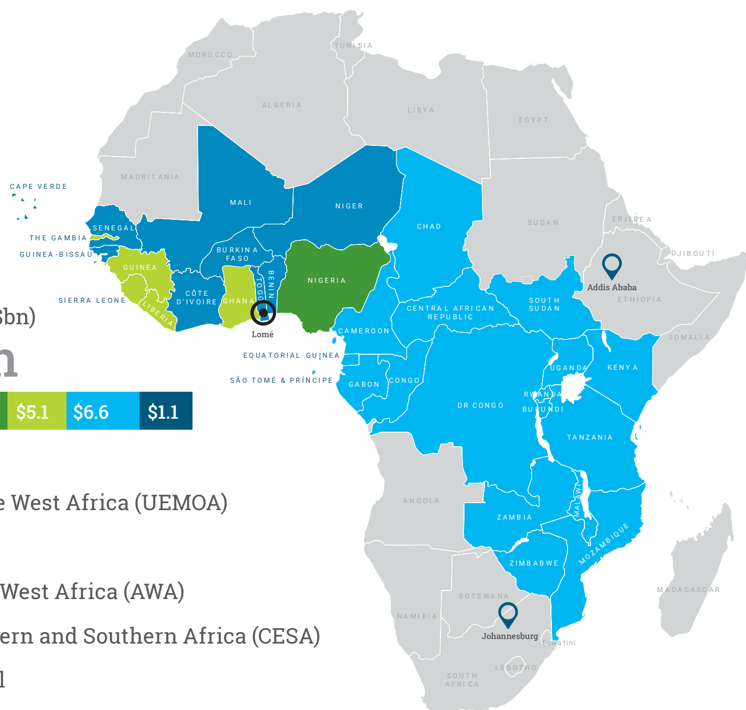
31%

We are a leading pan-African banking group

Continental coverage

Ecobank is a leading financial institution connecting 35 developing and expanding countries across Africa. Our nearly 15,000 employees serve the financial needs of over 32 million businesses and individuals, representing 61% of the continent. As of 31 December 2023, our total assets were $27.2 billion.

Our single payment platform enables real-time payments across Africa to leverage our geographical reach for customers. Our parent company, ETI, is publicly traded on three stock markets: the Nigerian Exchange Group, the Bourse Régionale des Valeurs Mobilières (BRVM) in Abidjan, Côte d'Ivoire, and the Ghana Stock Exchange.



Total assets (in $bn)

$27.2bn

$10.9	$4.4	$5.1	$6.6	$1.1

- Francophone West Africa (UEMOA)
- Nigeria
- Anglophone West Africa (AWA)
- Central, Eastern and Southern Africa (CESA)
- International
- Head office displayed on map
- Representative offices

At scale

35 African countries

38 Banking Subsidiaries

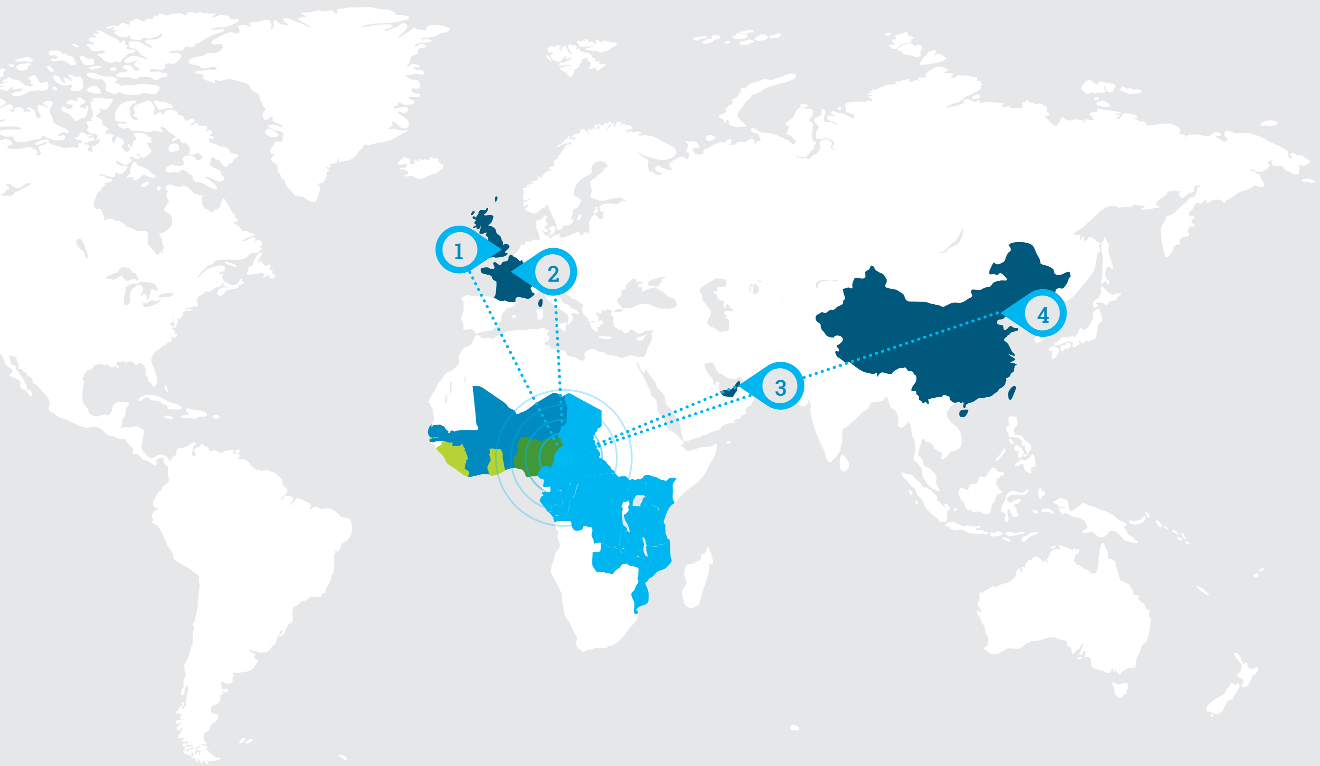
19 Non-Banking Subsidiaries

32.4m Customers

Ranked Top 5 Bank[1] in 22 markets

1 Ranked by total assets

With intercontinental reach



1 Ecobank in London

2 Ecobank in Paris

3 Ecobank in Dubai

4 Ecobank in Beijing

13.7m
Mobile app users

2,427
ATMs

650
Branch offices

14,982
Employees
43
Nationalities

Who we are and what we do

Our customer-facing business segments

Corporate and Investment Banking

Corporate and Investment Banking (CIB) provides a wide range of financial services, including FICC, cash management, trade, loans and liquidity and securities, wealth, and asset management to a diverse client base, including global, regional and public corporations and financial and international organisations.

Find out more on pages 46-50

$1.03bn

Net revenue in US$

Consumer Banking

Consumer Banking (CSB) offers deposit products, cards and loans to consumers through bank branches, ATMs, digital (mobile and online), and agency banking networks.

Find out more on Pages 38 to 41

$523m

Commercial Banking

Commercial Banking (CMB) offers loans, trade finance, cash management, and payment products and services to SMEs, local governments, and public-sector corporations through digital and physical channels.

Find out more on pages 42 to 45

$573m

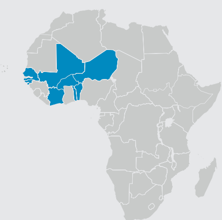
Our values

R A C E I T

RESPECT ACCOUNTABILITY CUSTOMER CENTRICITY EXCELLENCE INTEGRITY TEAMWORK

Our values underpin everything we do as a business.

Our global geographic reach

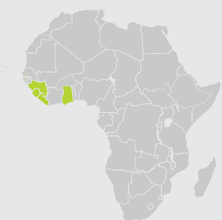


UEMOA

$8.1bn

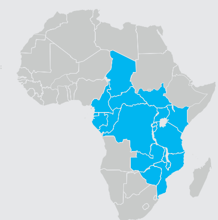
Nigeria

$2.9bn



AWA

$4.0bn



CESA

$4.9bn

International

$0.1bn

Customer deposits by geographical region

Our strategy

Growth **Transformation** **Returns**

Our strategy to grow, transform and deliver returns. Find out more on page 14-15.

Our strategy to grow, transform and deliver returns

Our strategy puts our customers at the heart of everything we do. It is based on stakeholder insights, industry, regulatory and commercial analysis and forecasts. It drives all our solutions, services and operations across our 35 African markets.

Growth

Our business units are leveraging our strengths

Our business

- Corporate and Investment Banking
- Consumer Banking
- Commercial Banking
- Payments, Remittances and Fintech

Our strengths

- Pan-African network
- Unified banking platform
- Technology & payments platform
- Diversified business model

Our enablers

- Revised operating model
- Risk management framework
- Brand building
- Technology

Transformation

Our focus accelerates our progress

Our focus

Transform customer experience

Strengthen performance culture and reposition for agility

Reinvigorate Nigeria and subscale subsidiaries

Entrench our leadership positions

Partner-ships

Sustainability

Returns

Grow shareholder value

Our returns

Sustainable ROE[1] above COE[2] through the cycle

Increase subsidiaries dividends to ETI

Dividends to ETI shareholders

1 ROE – return on equity
2 COE – cost of equity

Growth

Building a world-class pan-African bank through our customer-facing business lines by delivering strong, sustainable growth and transforming underperforming subsidiaries for both investors and society.

Our business units

Corporate and Investment Banking (CIB)

CIB uses its unique capabilities to offer impactful financial solutions and improved service delivery to clients across our extensive network. We support our clients and partners' sustainable strategic ambitions by combining our in-depth local knowledge with global expertise. Furthermore, our strong presence in the core sectors of different economies contributes to increased exports, international investments, and intra-African trade.

Consumer Banking (CSB)

CSB leverages our resources and reach to offer tailored services that enhance people's financial security and support them in fulfilling their aspirations. By focusing on delivering world-class products and services, we aim to be the preferred bank for convenient banking across Africa. We harness digitisation to achieve scale while providing cutting-edge services and memorable experiences. Our commitment to offering outstanding value propositions that meet our target customer segments' unique needs positions us as their primary financial service provider.

Commercial Banking (CMB)

CMB harnesses digital technology to support our target customer segments within Africa's small and medium-sized enterprises (SMEs) and local corporate entities.

Our unique propositions deliver value and transaction convenience, enabling on-the-ground growth in development and prosperity.

Payments, Remittances and Fintech (PRF)

Our new PRF business line leverages our robust pan-African platform to provide our clients with innovative payment solutions. In addition, we partner with fintech companies when necessary to expand financial innovation for consumers and businesses.

By acting quickly and efficiently and utilising our global reach, we empower those outside Africa to invest in their home countries.

Our strengths

Pan-African network

Our on-the-ground presence in 35 countries allows us to capture trade flows, facilitate payments, and build strong partnerships with deep local knowledge and stakeholder relationships.

In 22 markets we are

Top 5[1]

Diversified business model

Our diversification across four consumer facing businesses and geographical spread allows us to bring the power of 'One Bank' at scale to provide a complete client offering.

Non-interest revenue as a % of total revenue

43.4%

Unified banking platform

Our banking system underpins every Ecobank branch, office and transaction, providing a unique advantage across Africa.

Countries covered by our unified platform

35

Powerful payments platform

Real-time payments from any point in our network, whether Europe to Africa or within Africa.

Total value of digital transactions in 2023

$97bn

1 Ranked by total assets

Transformation

We are sharpening our focus and investing in critical enablers to serve customers better.

Sharpening our focus

Transform customer experience

Creating a step-change in customer experience through every interaction, product and service.

Strengthen performance culture & reposition for agility

Sharpening the focus on performance and customers and leveraging technology and agile working practices to deliver impact.

Reinvigorate Nigeria and subscale subsidiaries

Transforming our business performance in Nigeria and in subscale markets.

Entrench our leadership positions

Focusing on extending our leadership position in markets where we are already well established to accelerate growth.

Enablers to accelerate our progress

Revised operating model

Improve and strengthen our operating model to transform our businesses in different markets.

Risk management framework

Continually monitoring and safeguarding against risks using technology, artificial intelligence (AI) and data-enabled credit scoring engines.

Brand-building

Deepening customer trust will deepen relationships, loyalty and cross-selling opportunities.

Technology

Harnessing technology to unlock new opportunities and efficiencies.

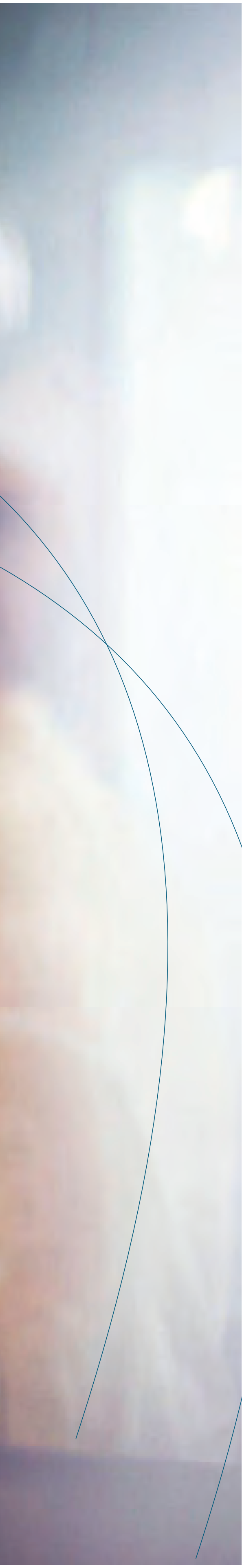
Partnerships

Building strong partnerships to extend our product portfolio and customer reach.

Sustainability

Supporting our customers through the transition to a low-carbon economy, and embedding sustainability in our operations, products and services.

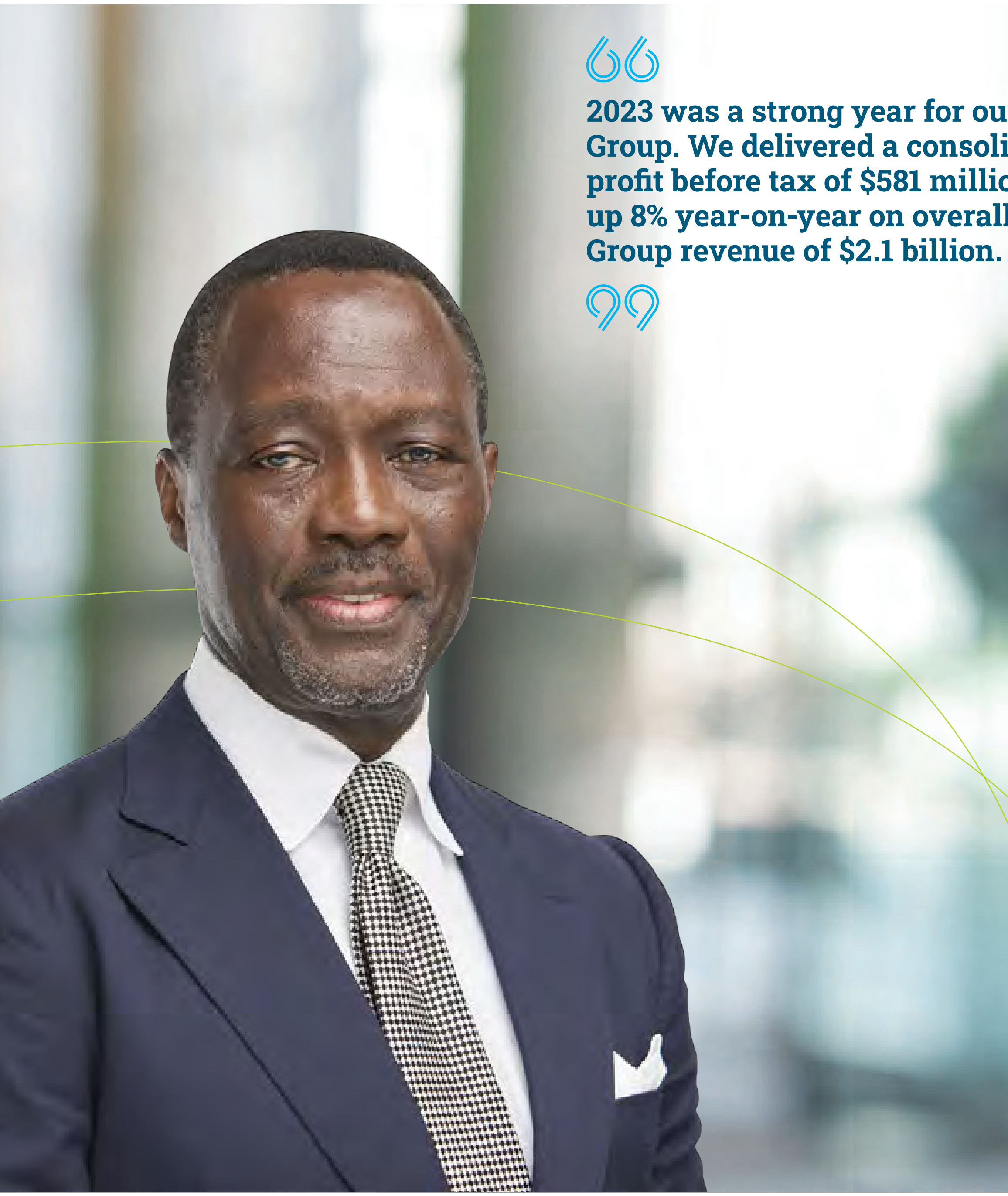
02 Group Chairman and Management



Growth. Transformation. Returns.

A better way. A better Africa.

A letter from the Group Chairman



2023 was a strong year for our Group. We delivered a consolidated profit before tax of $581 million, up 8% year-on-year on overall Group revenue of $2.1 billion.

Alain Nkontchou
Chairman, Ecobank Group

Dear Shareholders,

It is a renewed pleasure to share with you the Annual Report of the activities of our Group and its financial performance for the year 2023.

Our organisation has shown resilience in a challenging operating environment. The Board is proud of what our employees around the continent and in our subsidiaries in other regions have achieved, collectively and individually.

The global geopolitical framework has been seriously tested throughout the year. We have yet to see the final impact that the different blocs will have on their interaction and the economic repercussions on our countries. According to the IMF, global growth slowed down between 2022 and 2023 to 3.0%, with emerging markets and developing economies projected to experience a modest decline from 4.1% in 2022 to 4.0% in 2023, and 2024. At the same time, inflation levels remain high, although they show some signs of receding. Interest rate increases have reinforced tightening financial conditions as States, banking, and non-banking lenders have become more conservative. The macro-environment globally continues to be challenging. Major countries in Africa have seen the impact of macro imbalances.

The relative inaccessibility of international debt markets for emerging countries has put additional pressure on governments as they try to refinance their existing debt. Public expenses have surged due to much-needed support programmes during the COVID-19 pandemic. Because of our footprint, currency depreciation will always be a key topic for our organisation. Most African currencies are structurally depreciating versus hard currencies, as the countries are net importers of capital.

Furthermore, a few African countries took a hit with default on debt instruments, including local currency-denominated instruments (Ghana, Ethiopia, Sudan, Chad, Zambia). Though our revenue and capital generation in each country ought to remain strong, to cover the currency risk, management will need to address the nominal attrition of our equity base, and the Board will work closely with the management to mitigate effectively the impact of currency depreciation on our net financial position.

Financial performance

Despite the challenges faced, 2023 was a strong year for our Group. We delivered a consolidated profit before tax of $581 million, up 8% year-on-year on overall group revenue of $2.1 billion. This performance translated into a return on tangible equity (ROTE) of 24.9%, reflecting our strong performance. As the management has taken necessary steps to streamline the organisation and improve our revenue generation capabilities, which have not been up to our potential and footprint for a long time, we should ensure we are all aligned to deliver better results.

However, we need to be candid about our Group's situation. Most of our subsidiaries have shown strong performance, and we can be proud of our positions in Francophone West Africa, where we are the leading bank, and in parts of the Central, Eastern and Southern Africa (CESA) region. Unfortunately, as it is for a large Group like ours, a few situations continue to drag on the Group's overall profitability and impede our ability to distribute dividends.

Our largest entity, Ecobank Ghana, has faced a significant development with the restructuring of the Government Bonds Domestic Debt Exchange Programme (DDEP), which has resulted in substantial impairments in 2022 and 2023. Ecobank Ghana's strength is unmatched, though the situation meant ETI did not receive dividend payments from Ghana in 2022 and 2023. Over the last two years, we have paid $68 million to our shareholders in dividends. For 2023, and in light of the highly fragile situation, the Board has recommended that ETI not pay dividends. Deciding not to pay dividends is always tricky, especially in a challenging economic environment. Rest assured, this cautious stance is not a sign of retreat, but a strategic move aimed at ensuring the long-term stability and resilience of our Group and safeguarding the interests of our shareholders. We maintain our prudent dividend distribution approach and will continue to reinforce our capital position and be in a stronger situation for the coming years.

Governance

I thank all my Board colleagues for their contributions this last year. In line with governance best practices, we have reshuffled the composition of the Finance, Risk and Credit Committee (FRCC) and the Governance, Nomination, Remuneration and Ethics Committee (GNREC). Mr Brian Kennedy has joined the FRCC, while Mr Mfundo Nkuhlu is now a member of the GNREC. These changes consider the time already spent by the directors in their previous committees and ensure that the new committees and the Board will continue to benefit from their knowledge, skills and commitment.

Management

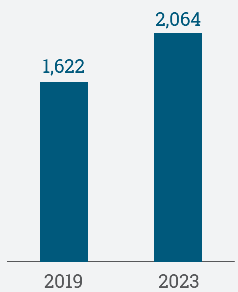
As the first full year of his term as Group CEO concludes, Jeremy Awori has reinforced the Group Executive Committee. We are pleased with the arrival of Martin Miruka (Group Executive, Transformation, Enablement and Customer Experience), Anup Suri (Group Executive, Consumer and Commercial Banking), Thierry Mbimi (Group Executive, Internal Audit and Management Services) and Michael Larbie (Corporate and Investment Banking, CIB). Abena Osei-Poku also joins the Group as Regional Executive for AWA region and Managing Director of Ecobank Ghana. Jeremy has provided further details on the senior management additions in his shareholder letter in the annual report. On behalf of the Board, I warmly welcome Abena, Martin, Anup, Thierry and Michael. We are excited to have them join us and want to assure them of our full support as they take on their new roles. The Board looks forward to working closely with them to achieve success in their missions.

A letter from the Group Chairman

Summary performance

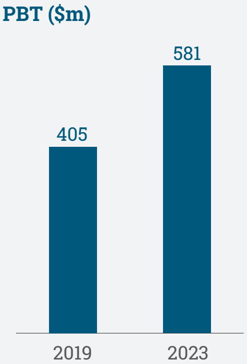
I want to highlight here a few metrics that underscore the performance of our Group over the last five years, between 2019 and 2023. The Group's revenues increased by 6% on average from $1.6 billion to $2.1 billion in current US dollars, despite the depreciation of our operating currencies against the US dollar. In constant US dollars, the progression is even more impressive. Operating efficiency has been a notable highlight during this period.

Group revenues ($m)



Operating expenses ($m)

PBT ($m)



The cost-to-income ratio has improved significantly, from 66.2% in 2019 to 53.9% in 2023. Costs have been kept almost flat, around the $1.0 billion mark, and the cost discipline has been pivotal in the renewed progress achieved in profit before tax. The Group's profit before tax of $581 million recorded in 2023 is the largest ever realised by our Group. This achievement epitomises the efforts and the successful turnaround of our performance.

Legacy

After almost four fulfilling years as the Chairman of Ecobank Group, and nearly a decade as a Board Director, the time has come to retire from my engagement with Ecobank. Steering this ship as been an incredible journey, and I am immensely proud of what we, as a collective, have accomplished together. Since I joined the Board in June 2015, it has been a substantial and rewarding journey. Throughout this period, our collaboration with management has been robust, and we are focused on strengthening the governance framework of our Group. From an operational perspective, the financial performance and standing of Ecobank have been reinforced.

Ecobank has successfully raised debt instruments on the international capital markets, demonstrating our organisation's ability to engage with top-tier financial institutions. This success has allowed us to refinance our debt instruments and support the growth potential of our subsidiaries, while maintaining robust relationships with key stakeholders in the financial sector. Following several years of improved capital generation, the Group distributed dividends to the shareholders for 2021 and 2022, but could not recommend doing so for 2023. While we have aimed for greater consistency in dividend payouts, it remains crucial to prioritise the preservation of our capital position.

Looking ahead, the Bank will witness increased success in achieving this balance. Last year, our organisation underwent a seamless transition at the Group CEO level, a commendable achievement attributable to the diligence and foresight of the Board. Ade Ayeyemi gracefully transferred leadership responsibilities to Jeremy, and we hold complete confidence in the calibre of the management team he is assembling to guide the Group in the forthcoming period.

The founding fathers set forth the ambitious vision of establishing a robust pan-African bank, a trusted ally for governments, institutions and communities across the continent. We take pride in our accomplishments as we approach nearly four decades of existence. Our Bank has become a distinguished brand, recognised from Banjul to Nairobi and Niamey to Cape Town. We are committed to enhancing our standing as a trusted partner, especially as governments implement the AfCFTA initiative. Our focus remains on innovation, addressing the evolving needs of our diverse population in areas such as financial inclusion, climate resilience, women's empowerment and education.

Central to our strategy is embracing digital technologies, ensuring greater accessibility and efficiency in our services. Reflecting on our journey thus far, we are energised by the opportunities ahead. We look forward to continuing our legacy of excellence and making meaningful contributions to the socio-economic advancement of Africa. We are mindful of the challenges ahead and hold unwavering confidence in the capabilities of our management team and dedicated staff to meet and overcome them. As our organisation moves forward, I will be retiring from the Board of Directors and as the Group Chairman. A process has been engaged to designate a new Group Chairman imminently and will be announced on the sidelines of the AGM. The upcoming Chairperson will bring a fresh perspective and experience that will undoubtedly contribute to the continued success and growth of Ecobank, working alongside our Group CEO Jeremy. I want to thank all of you for your dedication and hard work.

Ecobank's success is a testament to the collaborative efforts of our talented team. As I step aside, I am excited to witness the next chapter of our Group under the new leadership. I will always root for Ecobank, not only because I remain a shareholder. I have complete faith that this transition will be as smooth as possible. Thank you for the memories, and I am confident that Ecobank will continue to thrive. To everyone, thank you!

Alain Nkontchou
Chairman, Ecobank Group

A letter from the Group CEO

> We formulated our Growth, Transformation and Returns (GTR) strategy by gathering valuable insights from diverse stakeholders and analysing industry revenue and profit growth projections by business and geography. We also factored in expected market and regulatory changes and aligned this with our competitive strengths and capabilities. With this comprehensive approach, we are confident that our GTR strategy will pave the way for our continued success and growth.

Jeremy Awori
Group Chief Executive Officer

Dear Shareholders,

This letter marks the end of my first year at Ecobank. For 38 years, your company has supported and enabled Africans and their businesses to grow and prosper. We currently have banking subsidiaries in 33 African countries that financially connect over 61% of the continent. Our total assets are $27.2 billion, and we have a unified single payment gateway that transcends borders. With a workforce of almost 15,000 employees, we are the leading pan-African financial institution on the continent. Africa is our home, and our purpose is to deliver world-class financial services to Africans consistently. We have been here for decades and intend to be for many more.

The transition from my predecessor, Ade Ayeyemi, was smooth and laid a strong foundation for the Bank's accomplishments in 2023. Despite our successes, there is significant untapped potential in our position, heritage, culture and markets. To achieve this potential, we need to put in significant effort. We owe it to our 32 million plus customers, diverse communities and shareholders to pursue this potential and reap its benefits.

In this letter, I outline our macroeconomic environment, financial and business performance for 2023, and our Growth, Transformation and Returns (GTR) strategy. I also address other company matters.

A challenging macroeconomic and geopolitical backdrop

2023's macroeconomic instability tested the strength and resilience of Ecobankers, our business model and our continent's households and businesses.

Inflation remained high, reducing purchasing power and savings for consumers and businesses. Central banks responded with increased interest rates, which fed through to rate rises on loans for personal, overdraft, mortgage, automotive and small business working capital. While this higher interest rate environment supported our net interest income growth, it makes life harder for our customers with default risks rising for our business. We rightly prioritised supporting our clients during these difficult times, without compromising our credit underwriting and loan monitoring processes.

The US Federal Reserve's decision to increase interest rates contributed to the devaluation of several African currencies against the strengthening US dollar. In 2023, the Nigerian naira lost roughly 52% of its value after a devaluation by its monetary authorities in June. Similarly, the Ghana cedi and the Kenya shilling dropped 28% and 21%, respectively. However, the Euro-pegged CFA franc, representing approximately 50% of the Bank's total assets, gained around 4% against the US dollar. The devaluations of African currencies decreased our subsidiaries' net asset values when converted to US dollars. And, in turn, reduced the Group's consolidated shareholders' equity.

The devaluation of African currencies results in higher interest and principal payments for foreign debts, leading to financial distress. Ghana and Zambia had to restructure their debt arrangements with local and international creditors. Fortunately, both countries have made significant progress in this regard. However, the recent military coups in Niger and Gabon have further exacerbated the negative foreign investor sentiment, which was already low due to the coups in Guinea, Mali and Burkina Faso in previous years.

Overcoming challenges to deliver a strong performance

Despite the challenges of 2023, our performance remained strong, a testament to our resilient, diversified business model and our implementation of very specific actions to grow our business. We demonstrated financial prudence by carefully managing our shareholders' capital, ensuring customer satisfaction at every touchpoint, and making informed decisions about pricing our assets and liabilities. We effectively managed expenses amid inflationary pressures and took proactive steps to mitigate risk and optimise our risk-weighted assets.

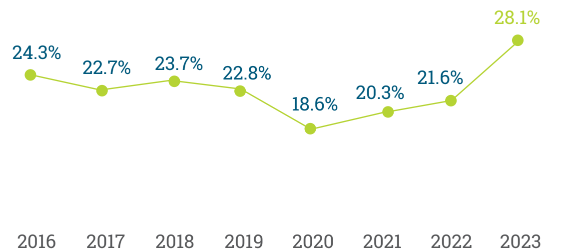
These efforts delivered a return on equity (ROE) of 23.5% and a return on tangible shareholders' equity (ROTE) of 24.9%, well above the consensus cost-of-equity of about 18%. ROTE benefited from a 0.5% growth in profits attributable to ETI shareholders of $288 million and a decline in shareholders' equity to $1.1 billion from $1.4 billion in 2022. The decrease in the latter was due to an increase in the reserves we held against Group consolidated shareholders' equity, which arose from translating the local currency financials of our subsidiaries into US dollars, our reporting currency. When local currencies depreciate against the US dollar, as they did significantly in 2023, foreign currency reserves rise, and shareholder's equity reduces accordingly. Your management team fought hard to soften this blow.

On a regional basis, each of our geographical regions saw an increase in returns year-on-year. Francophone West Africa (UEMOA) achieved an ROE of 28.1%, Anglophone West Africa (AWA) achieved 26.3%, Central,Eastern and Southern Africa (CESA) achieved 32.8%, and Nigeria achieved 4.5%.

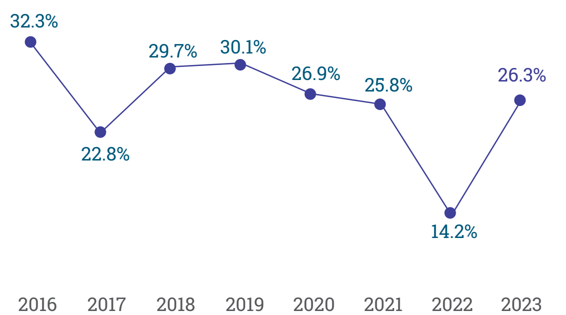
On a per-share basis, we increased our shareholders' earnings per share (EPS) by 0.4% to 1.17 US dollar cents (which is $0.0117), while shareholders' book value per share (BVPS) fell by 24% to 4.26 US dollar cents ($0.0426), mainly because of the devaluation we saw in the Nigerian naira.

Improving Returns Consistently Across all our Regions

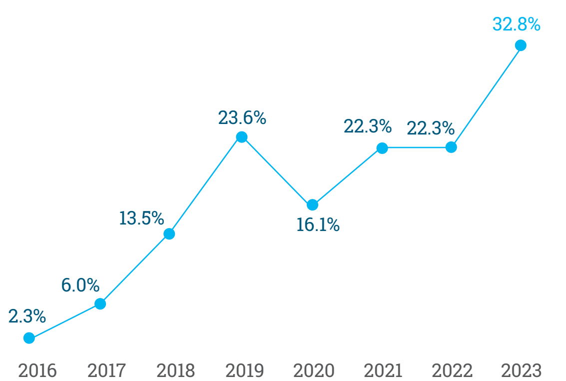
UEMOA: ROE Trend



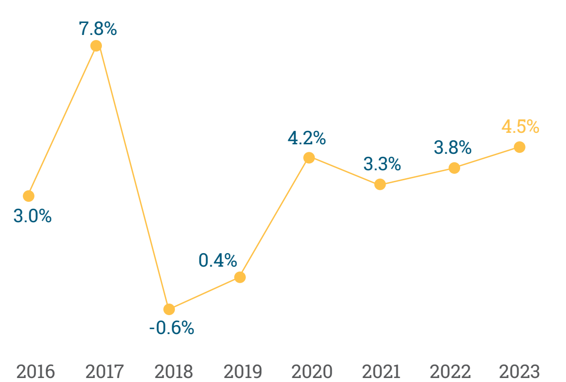
AWA: ROE Trend



CESA: ROE Trend



Nigeria: ROE Trend



Strong revenue growth and efficiency gains drove an increase in profits

Net revenues of $2.1 billion increased by $202 million, or $484 million, at constant currency and surpassed the $2.0 billion mark for the first time since 2015. The primary drivers of this growth included an increase in the net interest margin (NIM) from 4.9% in 2022 to 5.4% in 2023. Also, we saw revenue growth from foreign currency trading fees earned by helping clients buy and sell foreign currencies and wholesale and consumer payments across all channels.

Despite facing strong inflation and currency depreciation challenges, we continued our proactive approach to disciplined cost management, aimed at eliminating unproductive and wasteful costs and redirecting savings into investments in marketing and branding, sales capabilities and technology that should drive returns in the future. This approach has yielded positive results, as evidenced by our improved and record cost-to-income ratio (CIR) of 53.9%. We recognise that further opportunities exist to streamline costs, particularly in some of our CESA subsidiaries where CIRs are above 70%, and we are already taking action. We remain committed to investing in people, systems and processes to unlock our potential and deliver on our strategy.

53.9%

Record CIR in 2023

To manage risks effectively, we adopted a proactive and prudent approach, which included tightening credit underwriting procedures. We increased our gross impairment charges by 7% to $288 million to reflect the current market conditions. However, we reduced these charges to $145 million through recovered loans and write-backs to the income statement of previously charged impairments. Consequently, our associated cost-of-risk went up from 0.09% to 1.28%.

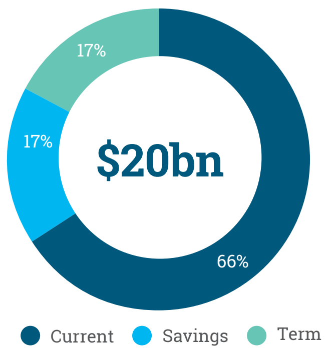
Our revenue has increased, and we have also been keeping a close eye on our expenses. As a result, our profit before tax grew by $41 million, or $147 million when adjusted for currency fluctuations, to reach $581 million. This profit growth is particularly impressive given the challenges and fluctuations that we have faced, which we have successfully managed to navigate.

Our balance sheet is deposit-rich and liquid

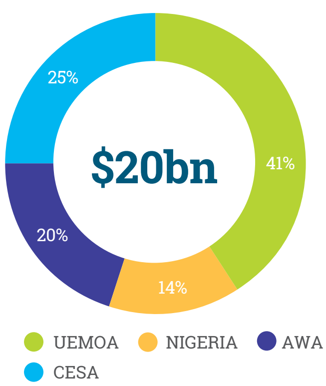
Our primary funding source is customer deposits, which account for 78% of our total liabilities and 73% of our assets. Additionally, 83% of our total customer deposits are in low-cost current and savings accounts (CASA), which helps us to remain competitive by providing a stable, low-cost deposit base. This deposit base enables us to invest in lower-risk assets, improve our net interest margins and increase profitability. Therefore, our main priority is to generate low-cost deposits. In a year of intense competition, we worked hard to drive aggressive deposit mobilisation campaigns, leading to a $3.0 billion increase in deposits, adjusted for foreign currency impacts, to $20.0 billion. However, the average cost of our total funding base, including customer deposits, increased from 2.6% to 2.9% a year ago, due to higher rates and competition.

Diversified customer deposit base

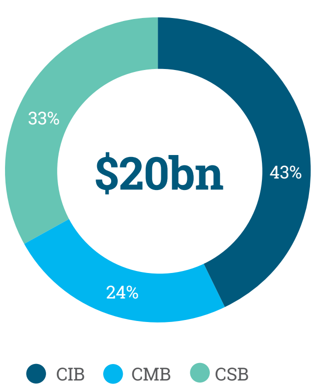
2023 Deposit by Type



2023 Deposit by Region (%)



2023 Deposit by Business (%)



Gross loans decreased by $459 million, but when adjusted for currency fluctuations, they increased by $1.5 billion to $11.1 billion. This increase was primarily due to higher trade loans in our Corporate Banking businesses in the UEMOA and CESA regions. Overall, the quality of the loan book was good, with non-performing loans accounting for 5.4% of gross loans.

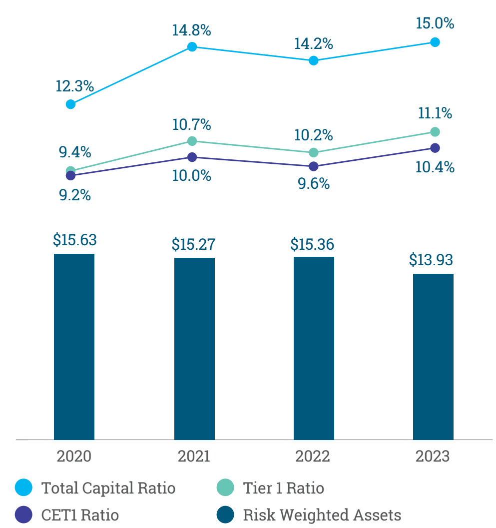
55.4%
Loans-to-deposit ratio

Our balance sheet is both liquid and well-positioned to support our clients' borrowing needs. With a loan-to-deposit ratio of 55.4%, we can provide the necessary financial support, provided their credit risk aligns with our risk appetite.

As of 31 December 2023, our capital ratios were above the regulatory minimums. The Common Equity Tier 1 ratio (CET1), Tier 1 ratio and Total Capital Adequacy (CAR) ratio were 10.4%, 11.1%, and 15.0%, respectively, which is an improvement compared to the prior year's figures of 9.6%, 10.2% and 14.2%.

Given the circumstances, these are promising results, but we must improve. I joined Ecobank with a mandate to drive growth and tackle the issues holding us back. In November 2023, the Board approved our new five-year strategy, which I will explain later to you.

ETI's Prudential Capital Ratios and Risk-Weighted Assets ($ billions)



A letter from the Group CEO

The dividend story

For 2023, we have decided not to pay a dividend, and we must shed some light on our reasoning behind this. We understand that this decision may be disappointing, especially since we only recently resumed dividend payments in 2021. We acknowledge that your expectations to receive a dividend are valid, and we take full responsibility for our decision. Unfortunately, we had little choice but to make this decision based on the available data and market and regulatory realities. Let me explain further.

Banks operate under tight regulations, and central banks in our jurisdictions require us to maintain minimum regulatory capital and sometimes additional capital buffers to ensure that we have enough capital to grow our business and protect our depositors.

Due to the macroeconomic and geopolitical risks and an uncertain economic outlook, some central banks have tightened their requirements for banks' regulatory capital. Central banks have halted banks' dividend payouts in some cases, while in others, they have requested additional capital levels. In such situations, our board and management must exercise extreme caution to ensure the safety and soundness of the Bank and comply with regulatory directives.

In other circumstances, we have cases where our ability to upstream dividends from our subsidiaries' profit or excess capital is restricted by regulations. In these cases, we continue to engage with the regulators to find a collaborative solution.

Our new Growth, Transformation, and Returns strategy aims to increase our revenue growth rate. Over the past eight years, our net revenue has grown by an average of 1%. We are now committed to accelerating this growth rate. To support this growth, we will require additional capital to help achieve the desired outcomes and consistently generate returns above the cost of capital. In doing so, we can distribute dividends to our shareholders regularly.

97%

Increase in ETI share price on NGX in 2023

On a positive note, your company's share price on the Nigerian stock exchange performed exceptionally well in 2023. It surged by 97% to close at NGN20.9, driven by various factors. These included investors' optimistic expectations of the company's outlook, the broader banking industry's outlook, and other macro and fiscal economic indicators. However, the share price remained unchanged when viewed in US dollar terms, mainly due to the substantial devaluation of the Nigerian naira in 2023.

A new, focused strategy – Growth, Transformation and Returns (GTR)

We are excited to announce our latest five-year strategy. We formulated our Growth, Transformation and Returns (GTR) strategy by gathering valuable insights from diverse stakeholders and analysing industry revenue and profit growth projections by business and geography. We also factored in expected market and regulatory changes and aligned this with our competitive strengths and capabilities. With this comprehensive approach, we are confident that our GTR strategy will pave the way for our continued success and growth.

Our customers are the heart and soul of our strategy. Their decision to choose us will drive our success and your returns. Therefore, our focus is to enhance further the value of what we offer them, provide them with an unparalleled customer experience at all touchpoints, and fortify their loyalty to us by becoming their preferred banking partner. Together, we can create a brighter future and achieve our shared goals.

Growth

The growth pillar of our GTR strategy outlines how we plan to accelerate revenue growth across all our businesses and geographies.

Our Group-wide revenues have historically grown at a modest compound annual growth rate (CAGR) of approximately 1% since 2016. However, significant growth opportunities exist in all our customer-facing businesses, particularly in Consumer and Commercial Banking, Payments, Remittances and Fintech businesses. As our 2023 performance shows, our growth trajectory is already improving, and many exciting opportunities lay ahead. To achieve our growth targets, we will focus on strategic product innovation, improving sales and marketing effectiveness, and enhancing the overall customer experience.

We are also restructuring our business models to reposition for growth, particularly in our subscale subsidiaries. For instance, we aim to significantly increase the share of Group-wide revenue from our CESA region.

Transformation

Our bold transformation strategy aims to revolutionise our operations and simplify and improve customer service. To ensure the efficient execution of our GTR strategy at the operational level, we have established a transformation office led by Martin Miruka. Martin is the Group Executive for Transformation, Enablement and Customer Experience. He previously led a successful international transformation at Equity Bank.

Technology is not just a part of our transformation; it is the driving force. We have already invested significantly in growing our technology and data capabilities. We will further increase this by directing cost-cutting savings into transformation initiatives.

Our people, culture and ethics are essential and form the bedrock of our transformation strategy. The Group Executive team will model our values – RACEIT (Respect, Accountability, Customer centricity, Excellence, Integrity, Teamwork) – from the very top. At every level of the organisation, we will hold each other accountable for living these values as we deliver our strategy. We are also bringing in talent and skills to see through our transformation efforts, and I will introduce you to key new hires later in this letter.

With the right mindset, dedication and hard work, we can achieve our goals and create a brighter future for our customers, employees and the communities in which we operate.

Returns

Our primary focus, in the interest of our shareholders, is to invest their capital efficiently and deliver sustainable, long-term returns. We will achieve this by investing in continuously enhancing our customers' value propositions and in projects that offer risk-adjusted returns above the average cost of capital.

By executing this strategy successfully, we aim to improve the Group-wide return on equity, bring underperforming businesses and geographies in line with the cost of capital, increase the number of dividend-paying subsidiaries and, ultimately, enable the company to consistently pay dividends to our shareholders.

Playing to our strengths

Our GTR strategy involves making critical decisions, including choosing the extent to which we operate in certain African countries. We are committed and dedicated to providing financial services to individuals and businesses of all sizes in the 35 African countries in which we have a presence. These countries are home to a considerable proportion of Africa's 1.5 billion population.

Despite being involved in significant economic activities, much of the population remains unbanked or underbanked, creating enormous growth potential. We aim to bring these individuals and businesses into the financial system, supporting economic development and prosperity for all.

Sharpening our in-market focus

We are currently a leader in two of the nine major markets and 13 of the 25 smaller markets in our presence countries. Within the last year, we have successfully increased the number of subsidiaries that generate returns on equity above their cost of equity from 19 to 24. Slightly over half of our subsidiaries pay dividends to ETI, and we have managed to increase this number over the last year.

Our banking subsidiaries are at different stages of their business life cycles, and their market share and return profiles vary. In UEMOA and AWA, we have leading franchises, and most of our subsidiaries are among the top three banks in terms of assets within their markets, delivering returns above the cost of equity. However, some of our subsidiaries, mainly in CESA, must catch up in their markets, require more scale and efficiency, and need to enhance their returns.

Our geographic approach is straightforward. For subsidiaries with leading market positions, we focus on entrenching these positions and investing to grow from the core. We are rethinking our business model approach for subsidiaries where we need to scale up transaction volumes, customers, balance sheets and capital. We cannot be all things to all people, so we will make strategic trade-offs to help us win. We will be more disciplined in our capital allocation strategy and redeploy resources to products and channels that offer risk-adjusted returns above the cost of capital. A focus area will be aggressively addressing subsidiaries with higher cost-to-income ratios, usually in the 70-80% range. We will determine whether we should invest in growing or cutting costs drastically in these subsidiaries by rejigging their business models to align with the identified opportunity set.

Nigeria has been challenging, but we have a clear agenda to transform it

Nigeria currently consumes approximately 20% of ETI's shareholders' capital. However, its return on equity of 4.5% is unacceptably low, both in absolute terms and by comparison to its peers. In addition, it has not paid a dividend to ETI since 2015, which is understandably a concern for shareholders. As the leading pan-African bank, we are committed to making our business work for the 228 million Nigerians, their families, business interests, and diaspora.

Although our cost-cutting measures have trimmed expenses, revenue growth in US dollar terms has not kept pace. As a result, our cost-to-income ratio needs to catch up to our peers, and our thin capital buffers necessitate an intense focus on capital efficiency.

We are taking decisive and bold action to address these issues within the context of macroeconomic and policy developments. We are realigning the company for profitability with tighter capital stewardship, more decisive leadership, reduced foreign currency lending and a focus on improving margins. As we advance, we will concentrate on productivity, branch optimisation, expanding our agency network and growing our consumer, commercial and payments businesses. Although Nigeria will receive particular attention, we are making significant advancements in our business verticals across the Group.

A letter from the Group CEO

Corporate and Investment Banking is well positioned for inter- and intra-African opportunities

Before discussing some of the strategic choices we are making in the Corporate & Investment Banking (CIB) business, it is important to acknowledge the significant contributions of Eric Odhiambo, who recently retired as CIB's Group Executive. Eric's leadership and strategic vision have been instrumental in shaping the business into what it is today. We are truly grateful for his dedication and service. As we bid farewell to Eric, we are also excited to welcome Michael Larbie as the new leader of CIB. With over 25 years of investment banking experience across Africa and four other continents, Michael brings a wealth of knowledge and expertise that will undoubtedly propel CIB to new heights.

Historically, CIB has been our company's strongest performer, generating 49% and 44% of Group-wide revenue and profits, respectively. In 2023, its revenues surpassed $1 billion.

Looking ahead, CIB is poised to extend its leadership position and embark on a journey of diversification. Our focus is on broadening our revenue streams across various business sectors and customer segments. In our lending business, we are strengthening our capabilities to venture into the core drivers of African economies, including manufacturing, services, telecommunications and agriculture. In the fixed-income, currencies and commodities (FICC) business, which currently contributes 40% of CIB's revenues, we have strategic plans to enhance client engagement, expand our client distribution platform and introduce innovative products.

Our geographical reach, physical and digital channels, and the African Continental Free Trade Area (AfCFTA) will help fuel growth, particularly in CIB's trade, cash management and payments businesses. For instance, our recently launched Ecobank Single Market Trade Hub is designed to help clients grow their businesses through the AfCFTA by matchmaking buyers and sellers across the continent. The Trade Hub is a gateway to expand continental trade opportunities across Africa, and we are investing in making it more convenient and easier to use through customer digital onboarding and enabling access to better pricing.

Cash management is expected to benefit significantly from continued growth in current and savings accounts (CASA) deposits. We will invest in customer experience, branding, value-added features and client privacy controls to protect against price-driven competition, which can be detrimental in the current higher-rate environment.

Lastly, we plan to deepen the collaboration between our Paris-based banking subsidiary, Ecobank International, and our pan-African franchise, especially in trade services and distribution of African assets, to generate more revenue.

Consumer and Commercial Banking have much to leverage

Our Consumer and Commercial Banking businesses and our newly created Payments, Remittances and Fintech (PRF) business line offer us new growth opportunities. To streamline our operations for better customer service and to utilise economies of scale, we have combined our Consumer and Commercial Banking businesses under one leadership. Anup Suri is the Group Executive who joined us in March to lead the combined businesses and he reports directly to me. Anup has over 30 years of extensive experience in sales and distribution for some of the world's most recognised banks across Asia, Africa, the Middle East and Europe.

Consumer Banking

To expand our customer base through financial inclusion, Consumer Banking will leverage our pan-African network, unified banking platform, single payment gateway, technology, digital capabilities, product suite, experience and talented Ecobankers. We will focus on brand, product innovation, channel engagement, marketing and sales to fully utilise these advantages.

We plan to expand our customer base and focus on supporting customers with their transactional and savings needs, which will also help drive fee-generating businesses. We have begun to develop and expand our sales capabilities and channels. One of our initiatives includes establishing a more prominent Direct Sales Agent (DSA) programme. Through this programme, direct sales agents will assist in opening new customer accounts and cross-selling products, loans and third-party products such as insurance in specific markets. At the end of April 2024, there were over 1,000 trained and active DSAs across the network, of whom over 400 were in Nigeria or Kenya. Our payment infrastructure and scale will enable us to do this effectively. We plan to scale this initiative significantly in the key markets where we see the most significant opportunities and where the infrastructure supports them. Furthermore, we will make it easier for customers to open bank accounts digitally and provide resources to enable Ecobankers to cross-sell products more effectively.

1,000

Trained DSAs across network.
400 in Nigeria & Kenya

We understand the importance of payments to our customers. We offer multiple payment options, such as online, mobile, digital wallets or in-branch. We are committed to enhancing these services by investing in technology and collaborating with partners. We aim to increase deposit margins and revenue by focusing on growing CASA deposits. Instead of relying on pricing, a tougher sell during a higher-for-longer interest rate environment, we will focus more on providing a convenient and superior customer experience to achieve our goals.

Consumer lending in Africa is currently lower as a percentage of GDP than the global average, which means there is a massive opportunity for growth. We plan to invest in and enhance our credit scoring capabilities to take advantage of this opportunity. We will develop credit scorecards that would facilitate easier and safer lending with lower delinquency levels and better returns. We are already investing in data analytics systems and capabilities to support this. We aim to develop gradually and carefully by investing in risk-adjusted pricing models and Artificial Intelligence (AI)-driven credit monitoring tools. We will integrate these capabilities into our unified banking system, allowing us to support lending across various products, such as salaried loans, auto loans and residential mortgages.

Finally, we plan to build win-win partnerships with fintechs, telcos and money transfer organisations to broaden our financial offerings across a wide range of customers.

Commercial Banking

In Commercial Banking, we are developing our strategy to align with the opportunities and risks in each market. In some countries, such as DR Congo, we operate in all product segments, while we focus on deposits and short-term loans in others, such as Ghana, to drive growth. We have redefined our customer segments to cater to small and medium-sized enterprises (SMEs), local businesses and the public sector.

$300bn

Estimated funding shortfall for SMEs in Africa

SMEs are Africa's fastest-growing segment. Yet, they are grappling with a pressing funding shortfall of approximately $300 billion. Our goal is to deepen financial services and integration across the continent, which means developing financial solutions that can meet the various needs of our SME customers. We are working tirelessly to achieve this goal for the short-term commercial and long-term perspectives of African prosperity. One of our recent offerings is the SME starter pack, a package comprising financial and non-financial solutions focusing on digital channels. Our SME customers have shown positive feedback about this product, and we are witnessing encouraging uptake. Additionally, we are testing some other business banking solutions that we plan to launch soon. We want to reiterate our commitment to addressing the financial needs of the underserved SME sector across various product lines.

As part of our strategy, we leverage technology to improve our customer value propositions and tap into local and regional trade opportunities. This digital transformation will provide us with a competitive edge and enable us to generate low-cost CASA deposits. We are also investing in technology, business growth, sales and marketing to boost our fee-based income across payments, cash management and FICC business.

Our gender financing initiative, Ellevate by Ecobank, has made meaningful progress. It has empowered 73,000 women entrepreneurs through financing, providing market access, and imparting business and leadership skills training. Consequently, we have generated approximately $530 million in deposits and $180 million in outstanding loans. We are committed to expanding and scaling Ellevate's impact and increasing our support for women-led businesses.

Furthermore, we view agribusiness as a significant growth opportunity and core to the continent's future success. We leverage our partnerships with development finance institutions and fintech companies to enhance our capacity, coverage and customer base, driving earnings growth. There is a lot to do, but we are focusing on payments, which underpins many consumer and commercial activities, to make all the work more effective and efficient.

Value of transactions on digital channels in 2023

Omni Plus	Indirect channels	Ecobank App & USSD	Omni Lite	Xpress Points
$58.4bn	$15.7bn	$8.7bn	$6.6bn	$5.8bn
Up +14% YoY	Up +39% YoY	Up +45% YoY	Up +37% YoY	Up +11% YoY

Payments, Remittances and Fintech (PRF) offer exciting opportunities

Payments present a vast growth opportunity, with significant revenue potential in all our markets, encompassing online and offline merchant acquiring, cross-border trade payments, remittances and agency banking. Our pan-African network, unified banking platform, low cost-to-serve, single payment gateway and a suite of products catering to all customer segments give us a competitive edge in dominating payments across Africa.

The payment landscape rapidly evolves with technology, product innovation and a wealth of talent. We have launched Payments, Remittances and Fintech as a new business line to keep pace. We aim to leverage partnerships with regional and global firms, such as mobile network operators, to accelerate its impact and growth significantly.

The Pan-African Payment and Settlement System (PAPSS) presents an opportunity we can leverage. In June, we took a significant step by signing a Memorandum of Understanding to facilitate the settlement of cross-border transactions of all our subsidiaries through PAPSS. This includes Ecobank acting as an inter-bank settlement agent on behalf of central banks that are not yet onboarded to PAPSS in our countries of operation. Our involvement in PAPSS underscores our commitment to expanding financial services and contributing to Africa's prosperity.

The market for remittances in sub-Saharan African offers a significant revenue opportunity, with an estimated flow of $54 billion in 2023. We plan to offer remittance as a service (RaaS) to further tap into this market. Our strategic partnerships with international money transfer organisations will help connect our customers across our network of 35 countries on the continent. This initiative will drive growth in low-cost deposits and increase fees on foreign currency flows, contributing to our revenue generation plans.

Finally, we will offer banking as a service (BaaS) capabilities to fintechs across Africa, a strategic move aimed at enabling fintechs to expand and grow their businesses across the continent, capitalising on our unique strengths. Our extensive reach, single payment system gateway, deep local relationships and capabilities set us apart, making Ecobank an ideal partner for businesses looking to grow. Additionally, we plan to invest in our application programming interface (API) infrastructure, back- and front-end technology, comprehensive and robust risk management, fraud detection tools and artificial intelligence (AI), to further enhance our offerings and maintain our competitive edge in the PRF space.

Core enablers that will support our where-to-play and how-to-win choices

I have explained how we plan to modify our operating and business model, lead and execute the transformation, and prioritise the customer to succeed in our chosen markets and businesses. These efforts will be supported by investing management time and resources in foundational or core capabilities, such as people and culture, brand, technology, strategic partnerships and sustainability. I am excited to set out where we are going in each of them.

Investing in our people to better serve customers and grow our businesses

Our people are the backbone of Ecobank's success and will continue to drive our future growth. Over the past year, I have had the pleasure of interacting with many of them, and they have willingly shared their insights on how we can improve and address any issues. I am incredibly grateful for their kindness, warmth and unwavering support. Our responsibility is to provide a supportive, nurturing environment where Ecobankers can thrive and offer the best possible service to our customers while progressing their careers. I appreciate that each of our almost 15,000 employees will work diligently in their respective roles to achieve our goals and deliver the desired outcomes.

In the last quarter, we have taken some calculated and decisive steps to reinforce our Group Executive team's talent and prepare ourselves for success. We have hired exceptional individuals with global and regional experience as well as unique leadership skill sets that will play a critical role in accomplishing our strategic objectives. Martin Miruka, Anup Suri and Michael Larbie, I have already mentioned. We also welcome Abena Osei-Poku as Managing Director for Ghana, Regional Executive for AWA, and Thierry Mbimi as Group Executive, Internal Audit and Management. Abena brings decades of banking and board experience from several international banks and corporates. Thierry has significant audit and advisory experience in digital solutions, risk, markets and financial services from leading banks and consultancies globally. I am confident that they will all bring immense value to our team.

In 2023, we established an employee wellbeing programme because people perform at their best when they are at their best. Furthermore, we introduced an employee recognition programme and awards to celebrate employees who consistently go above and beyond to complement it. We have instituted mandatory ethics and culture training, as one would expect of an international bank. Our newly instituted Diversity and Inclusion Council will help us improve decision-making quality at every level by including diverse perspectives and experiences. For a bank with such a diverse customer base, this is a critical path in strengthening and deepening these relationships.

Upgrading our technology to extend our advantage

We have many major strengths including our integrated banking platform and payment system. In 2023, we launched an investment programme to upgrade and modernise our underlying technology stack. Additionally, we have made immense progress in implementing new customer and client-facing applications to improve their experience and bolster our relationship with them. Our focus on partnerships has increased, and upgrading our technology is a crucial factor in this regard.

Building a strong, home-grown brand

People tend to do business with those they trust. For this reason, our reputation and brand are crucial in building trust with our customers. We plan to take a significant step forward in enhancing our brand awareness and changing people's perceptions of our brand. By doing so, we aim to strengthen the trust we have built with customers, opening new opportunities and horizons for our business.

In January 2024, we launched our new brand campaign, 'A Better Way | A Better Africa,' during the TotalEnergies CAF African Cup of Nations in Côte d'Ivoire. The primary goal of this campaign was to communicate our Bank's three brand pillars: our pan-African purpose, platform and people. Additionally, it aims to showcase our different banking divisions and the value of our banking solutions. The campaign conveyed our unwavering dedication to our continent as we help our customers achieve their financial goals for a better tomorrow. The campaign's central focus is on constant improvement, which enables us to maximise the beneficial impact of our financial services on our customers and communities. We are committed to increasing financial inclusion and accelerating Africa's economic development.

We aim to build on this campaign in the coming years and establish a strong, valuable, home-grown African banking brand. We want to be recognised as the market leader in our businesses, the preferred payment and trade banking partner in Africa, and one of Africa's top 10 most admired and trusted brands.

Partnering to maintain our focus while broadening our offers and capabilities

Partnerships play a crucial role in our growth as a company because we must and should try to do everything with others. By collaborating with other businesses, we can concentrate on what we do best while benefiting from our partners' strengths to speed up our growth. For instance, our strategic partnership with Fingo Africa, a digital bank startup in Kenya established by and for young Africans, allows their community to access our services throughout the continent. It is worth noting that technology, like sustainability, is not just a trend but a powerful force driving change in all markets.

Deepening sustainability's strategic role

The world faces significant sustainability challenges, prompting governments, businesses, society, and international finance institutions to take decisive action. We are committed to leading this transformative change as a Bank dedicated to a better Africa with growing global connections. This commitment is not just a statement but an integral part of our identity, reflected in our active participation in critical events such as the Africa Business Leaders Coalition meetings, the Africa Climate Summit, the Africa CEO Summit, and UN COP28, among others. Ecobank and 55 other African CEOs have taken a significant step towards a brighter future by signing the Africa Business Leaders' Climate Statement. One of the many goals of this commitment is to increase access to clean energy in Africa. Currently, nearly 600 million people, or 43% of Africa's population, lack access to electricity, and we are determined to change this situation. Our goal is to address Africa's energy needs and help lift people out of energy poverty, a cause we are deeply committed to.

A letter from the Group CEO

Increasing sustainability-linked financing

In 2023, Ecobank signed a $200 million Sustainability-Linked Loan (SLL) with a consortium of development finance institutions led by Proparco. This loan is the first of its kind for a sub-Saharan African financial institution. It is tied to a comprehensive set of climate and sustainability Key Performance Indicators (KPIs) to help Ecobank outline its climate strategy and align its finance portfolios with the global goals of the Paris Agreement. The loan also includes a technical assistance program from Proparco, which is a valuable support in fulfilling our mandate. Over the last three years, our total sustainability-related financing has exceeded $550 million, reflecting our commitment to achieving financial success while contributing to our planet's sustainable and resilient future.

$550m

in sustainability-related financing since 2021

Supporting our customers and expanding positive impact

We have made considerable strides in the area of sustainability. We have implemented several measures to reduce our carbon footprint, such as installing solar panels on our branches' rooftops and using energy-efficient lighting systems. In addition, we have launched a gender financing initiative, Ellevate by Ecobank, to support women-owned, led or focused businesses. Ellevate by Ecobank offers a range of benefits, including access to finance, business training and mentorship, among others, thereby supporting the United Nations' Sustainable Development Goal 5. Our commitment to sustainability has yielded impressive results, as evidenced by the numbers we have achieved.

Our Group Chairman's Sustainability Awards (GCSA) programme

We are proud to advance our sustainability efforts through the annual Group Chairman's Sustainability Awards (GCSA). This event celebrates our subsidiaries that have made significant positive impacts economically, socially, and environmentally. In 2023, we had two joint winners for the award. Both winners have set inspiring examples with their initiatives to support small and medium-sized enterprises (SMEs) and enhance women's empowerment through financial inclusion. Ecobank Senegal was recognised for its SME finance initiative and significant impact on sustainability while Ecobank Zimbabwe was honoured for its rural financing program, which encourages women entrepreneurs. This program has positively benefited over 52,000 rural women in Zimbabwe and created over 90,000 jobs. These achievements reflect our unwavering commitment to embedding sustainability into our business practices, positioning us favourably in a world where sustainability issues are integral to economic success.

For more details about our sustainability efforts, please refer to our standalone Sustainability Report on our website.

Our eyes are on the future – a more prosperous Africa

Firstly, I must express my immense gratitude to our outgoing Chairman, Alain Nkontchou, who leaves us having completed the maximum permitted nine years for a Non-Executive Director on our Board. His experience, wise counsel, broad business knowledge and keen strategic vision have been exemplary throughout his time on our Board and, since 2020, as Chairman.

Although the challenges of 2023 are still affecting the continent, there are some positive developments. We are pleased to report that Côte d'Ivoire secured funding from the Eurobond market in January 2024 by issuing conventional and sustainable bonds totalling $2.6 billion. Likewise, the Benin Republic debuted in the Eurobond market with a $750 million 14-year bond, and the African Development Bank carried out a $750 million hybrid capital transaction. All of these developments are positive signs for our continent.

We have crafted a new strategy that places our customers at the forefront and aims to drive growth in our various business lines. We are also committed to improving the performance of our underperforming subsidiaries and implementing transformation initiatives to increase shareholder returns. The potential for Ecobank and Africa is immense, and we are deeply grateful to all who have chosen to be a part of our journey. Whether you are an employee, a business partner, an investor, or a customer, your support is invaluable in our efforts to build a better bank for a better Africa.

Jeremy Awori
Group Chief Executive Officer

Consumer Banking overview

Introduction

As the leading Consumer Banking franchise in Africa, we always aim to provide a better way for Africans and friends of Africa to access convenient financial services across the continent.

Our core purpose is to contribute to the prosperity of Africa by providing financial solutions tailored to the unique banking needs of individuals, giving each of our customers the ability to enhance their financial security, while supporting them to fulfil their aspirations.

To achieve this, we remain focused on delivering world-class products and services that financially empower and consistently delight our customers.

Performance highlights

In 2023, African economies continued to grapple with high inflation triggered by currency depreciation in key markets, which impacted on consumer spending. While this posed significant challenges for our business, we are pleased to have been able to show resilience through disciplined strategy execution while supporting our clients.

We delivered strong profitability of $178 million, resulting in growth of 35% over last year. Our profitability was driven by healthy income growth along key product lines, improved asset quality evidenced by a 50-basis point decline in the non-performing loan (NPL) ratio, and efficiencies achieved through improved digitalisation of key customer journeys and processes.

We attracted healthy levels of low-cost deposits which, despite currency devaluation in some key markets, resulted in sustaining deposit levels in US dollar terms at $6.5 billion. In enabling seamless and convenient payments for our customers, we saw an increase in both domestic and cross-border payments, driven by our card products and flagship Mobile Banking solution.

Strengthening partnerships

True to our commitment of providing a better way for millions of Africans to access financial services that improve their lives and help them meet their aspirations, we recognise that we cannot achieve this by walking alone and, therefore, need to forge partnerships that will help us to succeed on this journey.

There are many organisations around the continent, from startups to established institutions, that are providing innovative solutions. We have positioned ourselves as the partner of choice for such organisations that are aligned with our mission to provide innovative financial solutions to empower Africans. We currently have partnerships with telecommunication firms and fintechs which allow us to distribute financial products and services to their customers.

Our partnerships with major telcos enable us to provide their customers with access to our digital accounts and loans. Last year, we expanded our instant digital micro-loan solution, Xpress Loan, to new markets including Guinea Conakry, made our salary advance product available on our USSD channels and expanded our distribution of card-based payment products. These, amongst others, were achieved in collaboration with the partners with whom we work to improve the financial wellbeing of our customers.

> **We delivered strong profitability of $178 million, resulting in growth of 35% over last year.**

Nana Araba Abban
Group Executive, Consumer Banking

In East Africa, we strengthened our partnership with the fintech, Fingo, with an exciting launch in Kenya in May 2023. Fingo provides access to digital accounts through their mobile app leveraging on our digital account product, Xpress Account. We have seen an impressive uptake of this product, especially among the youth population, which is the primary target of our partner Fingo. It aligns with our strategy to meet the financial needs of the unbanked and underbanked on the continent.

In Francophone West Africa, we partnered with the fintech, Djamo, to issue cards to their client base. Over one million cards (both physical and virtual) have been issued since the partnership commenced in 2022.

Improving customer experience

The experience of our customers as they engage with us across our various touchpoints continues to be of major importance to us.

Consequently, we continue to invest in optimising and automating key customer journeys, such as account opening and loan origination. We are transforming our service delivery through the introduction of Ecobank Assist, which provides a unified multichannel platform to manage customer requests, feedback and suggestions, thereby improving the customer experience. We have created self-service channels via USSD for customers to sign up for our automated savings product, Save as you Spend, making it easier for customers to begin their journey to financial freedom. Customers can also access our salary advance by self-service on this engagement channel.

Sustainability financing

As an institution, we see sustainability not as a mere choice for us, but as a responsibility and we are paving the way for a sustainable future by becoming the gateway for green finance and investments in Africa.

To reach more consumers with affordable retail financing solutions for purchasing green products through our consumer finance schemes, we continue to seek partnerships with multilateral and developmental agencies that are aligned with us on the green agenda for grants, risk-sharing facilities and capacity building.

Our ambition is to reach millions of Africans with affordable and accessible financial services in the near term, thereby increasing financial inclusion on the continent and improving the financial health of Africans. In line with this, we are actively working to respond to the needs of the societies in which we operate, particularly for the unbanked/underbanked, women and the youth.

Last year, we launched a new gender-based programme "MAMA" in collaboration with development partners, which seeks to provide financial wellness and capacity building for female entrepreneurs.

We organised masterclasses dedicated to financial education covering family budget management and managing finance for women, youth and the diaspora. For the youth, we organised our traditional Salon de l'Epargne, l'Investissement et du Patrimoine in collaboration with Addict l'Agence. We worked with partners to publish REUSSIR, A Guide to Saving Well, which continues to serve as a practical guide, with tips and exercises to address the challenges of saving for individuals and households, while also increasing the production and distribution of fun and pictorial financial educational content for young people and the non-literate.

All these complement our continued efforts in the field aimed at educating and recruiting customers and prospects, mainly via our digital tools.

As a result of our work toward enhancing financial inclusion in Africa, the African Union Commission (AUC), through its Women, Gender and Youth Directorate (WGYD), has co-opted our organisation as a partner for the effective implementation and operationalisation of the African Union's Women and Youth Financial and Economic Inclusion (WYFEI) 2030 Initiative.

Consumer Banking Overview

Financial planning for the growing affluent segments

With the demographic changes in Africa, we see a growing middle class population needing expert advice in managing their finances as they move through their different life stages. We continue to strengthen our financial planning offerings to cater for this customer segment.

In 2023, we introduced a robust wealth management proposition which provides bespoke products and advisory service for well-heeled individuals and, in tandem, upskilled our relationship management teams with globally recognised certifications to better serve this clientele. We continue to work with world-class partners to serve this growing segment, effectively ensuring tailored services and outstanding customer experience.

Supporting African diasporans

The Africa diaspora population is growing rapidly as Africans become highly mobile, especially with the young population seeking opportunities in other African countries or outside the continent. We serve this population with a myriad of solutions that enable them to save, send remittances and borrow in their home countries, while working in the diaspora. Our flagship remittance product, Rapidtransfer, connects our 33 countries through a unified banking platform providing the rails for our customers in the diaspora to remit funds home seamlessly to meet their immediate needs as well as their medium- and long-term aspirations. It is pleasing to note that we made our Rapidtransfer product available on the Nigeria in Diaspora Commission (NIDCOM) website to provide Nigerian diasporans with seamless cross-border payment options.

We have expanded our remittance distribution networks for international money transfer organisations beyond our branch network by making more agency banking locations available for remittance payments and collections, particularly for beneficiaries who are unable to receive remittances directly to their bank accounts or mobile money wallets.

To enhance the financial resilience and economic empowerment of remittance beneficiaries across our footprint in Africa, we are collaborating with the International Fund for Agricultural Development (IFAD), a United Nations agency. This will see the deployment of a cost-effective digital solution leveraging our ecosystem comprising Rapidtransfer, our KYC-lite Xpress Account and our Xpress Point agency banking network to support remittances and financial inclusion.

Continued digital adoption

Over the years, we have made significant investments in our digital transformation journey which has resulted in consistent growth in the adoption of our digital channels for banking services. In 2023, the volume of transactions processed through our Retail Banking and Mobile App channels grew to $11 billion, a 60% increase year-on-year.

We continue to improve our digital platforms to enhance the user experience while ensuring our customers feel safe using these channels. Enhancements were made to protect customers from social engineering fraud which has become a global phenomenon associated with digital transactions. We continue to educate our customers while keeping our focus on ensuring seamless customer journeys when they use our digital channels.

This year saw us enhancing digital services such as online account opening, enhanced bill payment, capabilities to purchase investment products and self-service instant loans delivered via Ecobank Mobile. With the emergence of advanced technologies, we continue to enhance our digital capabilities to drive usage, improve agility and offer even more, delighting customer engagement across our channels.

Going forward

There is a lot of work to be done to increase our impact on the continent and we are not resting on our laurels. What keeps us awake at night is how to provide relevant financial solutions continuously that empower Africans.

We will continue to refine our segment propositions to better respond to the evolving needs of our customers across our presence markets and beyond. Digitising access to our product suites to improve convenience, and consequently enhancing the experience that our customers derive from using our solutions, remains in sharp focus. Our collaboration with key partners has only just begun on this journey to build a world-class pan-African bank and contribute to the economic and financial integration of Africa. We are confident that the years ahead will see us strengthen these partnerships.

I thank our customers across Africa and globally for their loyalty and trust in us. I thank our Board of directors, partners and colleagues across Ecobank for their dedication and commitment to the Bank's vision. We remain confident and focused on delivering on our obligation to be the leading consumer financial services franchise in Africa.

Nana Araba Abban
Group Executive, Consumer Banking

Commercial Banking overview

2023 overview

It has been an honour and a pleasure leading the Commercial Banking business to deliver another outstanding performance. Over the years, a good foundation has been laid focusing on our six strategic pillars:

1. Building scale
2. Digitising our business
3. Deposit growth
4. Loan growth
5. Cultivating our talent
6. Driving social impact

We have continued to execute diligently on these, while refining the themes further. Our impressive performance in 2023 was driven by this focus.

Our key priorities for 2023 for the Commercial Banking business included focusing on revenue growth, maintaining credit discipline, growing our loan book sustainably, controlling costs and positively impacting the communities in which we are present. I am happy to report that we have been disciplined in following through on these and have delivered well on the objectives.

The solid outcomes in revenue and profit before tax were on the back of our cash management business, fixed income, currencies and commodities (FICC) opportunities, loan volumes and recoveries. Balance sheet growth was moderated due to currency depreciation in Nigeria and Zimbabwe. However, the UEMOA and CESA regions delivered good loan growth ensuring that, overall, we ended the year very well.

In the last quarter of 2023, we concluded a landmark agreement with the African Guarantee Fund for a Risk Sharing Facility of $200 million, bringing our total risking sharing facilities to $400 million.

This transaction represents the largest guarantee facility in sub-Saharan Africa and will boost our lending capacity to small and medium-sized enterprises (SMEs) seeking to expand, innovate and contribute to job creation.

This also represents an enhanced guarantee cover for gender financing and green transactions. Women-led businesses and small-scale renewable energy, climate-smart agriculture and natural resource projects will be supported with favourable terms.

Ecobank also intends to play a transformative role in supporting Africa's long-term economic development through a strategic focus on food and agribusiness. In this regard our partnership with Arise B.V. and Rabobank Partnership is helping to put us on the right path to becoming a leading pan-African food and agribusiness bank.

Our 2024 deliveries will be aligned to the larger Bank strategic priorities of Growth, Transformation and delivering Returns to our shareholders.

Our financial performance

Commercial Banking continues to deliver value to the firm as reflected in its 2023 performance.

Top-line revenue grew from $471 million in 2022 to $573 million in 2023, representing growth of 22%. Cash management, FICC and Trade Finance were the dominant levers, contributing 50%, 33% and 8%, respectively to our revenue performance.

As at December, Commercial Banking achieved profit before tax of $212 million, compared to $134 million for the same period last year, representing year-on-year growth of 58%.

> **The introduction of the Ecobank Single Market Trade Hub, with its powerful and innovative online matchmaking tool MyTradeHub, enables buyers and sellers to upload their profiles and highlight the goods and services that they have on offer, or wish to source.**

Carol Oyedeji
Group Executive, Commercial Banking (Acting)

Deposit growth was impacted by currency devaluation in some markets, which muted the outcome. However, we continue to drive usage of our digital platforms and focus on cash management products to moderate the foreign currency translation losses.

We remained disciplined with our loan portfolio and maintained similar non-performing loans (NPL) levels in the 6% range. As we grew the lending book further, our focus was on short-term self-liquidating assets with emphasis placed on good quality assets. Returns on loans granted are now a key focus in justifying capital allocation.

Our cost-to-income ratio improved significantly from 62% in the previous year to close at 54%. We continue to leverage efficiency gains from improving digital transacting and reducing manual transactions at branches.

Refining and executing on our strategic pillars.

We refined our strategic pillars further to enable strong focus on value creation to the firm.

Building scale

Building scale is critical to the growth of the Commercial Banking business and starts with a deliberate and intentional push to grow our customer base. It serves as a catalyst to generate more revenue, while also encouraging existing customers to transact more on digital channels.

As a next step, we will be providing the enabling platforms that will support large-scale acquisition of SME customers to deliver significant growth.

Digitising our business to support deposits and fee income growth

Digitising our business remains core to our strategy, propelling us to delivering a better way and a better Africa for our customers. We continue to work with renowned partners to introduce more cutting-edge solutions aimed at solving customers' pain points.

Our payment channel Omni Lite continues to perform strongly with the value of transactions processed growing by 37% to $6.6 billion as at the end of December 2023. Omni Lite customer onboards increased from 248,000 to 298,000 at the end of 2023, representing 20% year-on-year growth.

Our Point of Sale Terminals (POS) recorded $1 billion worth of transactions by the end of 2023, providing a good through put to support the growth our Deposit base.

Deposit growth with focus on low-cost funds

2023 was a challenging year with regards to deposits due to currency depreciation in key markets such as Nigeria and Zimbabwe. Regulatory and monetary policy actions taken in the UEMOA region to combat inflationary pressures, coupled with political unrest in some markets in the region, significantly affected liabilities.

These challenges notwithstanding, we instituted campaigns to boost deposit mobilisation in addition to targeted engagements with the top depositors in each market.

We also remained focused on acquiring low-cost deposits which saw a slight improvement in our non-interest-bearing ratio from 85% to 88%.

The introduction of the Ecobank Single Market Trade Hub, with its powerful and innovative online matchmaking tool MyTradeHub, enables buyers and sellers to upload their profiles and highlight the goods and services that they have on offer, or wish to source. This is another bold initiative designed to drive deposits.

Commercial Banking overview

The RapidCollect solution, which allows customers to manage all payments due from domestic and regional customers effectively without having to open multiple accounts in the different countries, is also helping to attract deposits.

Lending and improved returns

We have ensured disciplined pricing of our loan book to enhance returns on the portfolio. This has resulted in an improved net interest margin from 11.9% in 2022 to 13.9% as at the end of 2023.

To further support quality loan growth, we successfully closed a landmark $200 million Risk Sharing Facility with the African Guarantee Fund. This represents an increase of $150 million from the existing $50 million facility, as well as an expansion of the number of beneficiary affiliates in which it is available from 14 to 27. Favourable terms have been set to ensure more women-led and green transactions are fast-tracked.

In my introductory remarks, I mentioned our ambition to scale our food and agribusiness portfolio. As the leading pan-African banking institution, it is imperative that we play a truly transformational role in supporting Africa's successful long-term economic development through strategic concentration on viable and high-rewarding sectors of the industry.

Against this backdrop we signed a Technical Assistance agreement with Arise B.V. and Rabobank Partnerships, who are recognised and acknowledged as leading experts in matters related to food and agribusiness, to provide the needed support in co-creating an enhanced and fit-for-purpose Food and Agribusiness Strategy for the Group.

Good progress is being made on this with execution plans for 2024 now clearly articulated.

Portfolio management

In challenging times, asset quality remains a critical focus for the Commercial Banking business.

Countries within sub-Saharan Africa experienced major headwinds in 2023, ranging from currency devaluation in many markets, Ghana's macro-economic challenges, Nigeria's reforms on exchange rate policy and the fuel subsidy, coups in a few West African countries and elevated cost of living due to rising inflation.

These changes directly impact our SME clients and continue to necessitate a consistent, continuous and agile monitoring of the loan portfolio to address our customer needs.

To prevent portfolio deterioration, extensions, rescheduling, restructures are done proactively to address cases of delayed or postponed repayments in concerned markets.

Commercial Banking asset quality ratios continue to be maintained at tolerable thresholds with the NPL ratio closing at 6.2% at the end of 2023.

With an NPL coverage ratio of 144% as of December 2023, adequate provision is available to cover for any losses.

We paid close attention to the optimisation of risk-weighted assets to ensure adequate returns on assets across our presence markets during the year. Our credit portfolio monitoring workforce are also continuously trained to anticipate and respond to the ever-changing and dynamic work environment.

Cultivating our talent

Staff training and development is vital to the effectiveness of our employees, so we continue to work with the Ecobank Academy to identify training needs and provide the opportunity for our staff to be acquainted with a variety of skills and product knowledge, as well as shaping the right behaviours and conduct.

As many as 30% of Commercial Banking staff – comprising Commercial Banking heads, segment heads and branch managers – formed part of the initial group of Bank-wide employees being assessed under the Ecobank Employee Customer Experience (CX) 360° initiative.

The objective of this initiative is to drive behavioural change and targeted staff development aligned with core CX competencies and principles. The outcomes of the assessment will facilitate targeted learning during 2024.

In keeping with our digital focus, we also enrolled Commercial Banking staff onto the Bank's Digital Banking Operations Academy programme (Level 1). This is a modular programme which covers topics such as Fundamentals and Concepts of Digital Banking Operation, Digital First Principle, Today and Future of Banking, Risk and Control, and Skills of the Future.

Commercial Banking remains committed to the production of quarterly case studies on borrowing clients as a way for our teams to learn about some complex credits, what worked and what did not, and the most appropriate way to respond to such situations.

Driving social impact

Gender financing – Ellevate by Ecobank
By positioning ourselves as a partner for women-owned, led or focused businesses, and by leveraging on our products and solutions, we have been able to help grow women SMEs by offering access to finance, capabilities, networking opportunities and access to markets. We extended approximately $180 million in financing to women-owned businesses.

As we operate in a dynamic business environment, it is imperative that we revamp our gender financing programme to remain relevant and impactful. November 2023 marked three years of our Ellevate offering and as we plan towards 2024, we consider it an appropriate time to broaden its outlook from only women-owned SME businesses to include sole proprietors and women in leadership positions. Extending our gender financing programme will not only align with our commitment to inclusion but will also provide us with a competitive edge in the market.

Training and informative webinars
Many SMEs, while holding immense entrepreneurial skills, would benefit from capacity-building training. For this reason, we place emphasis on offering non-financial support to SMEs by collaborating with the Ecobank Academy and other partners to deliver impactful business and leadership skills training programmes and webinars.

SME booster series
During the period under review, we hosted approximately 940 SMEs at our annual flagship SME Training programme, which is a virtual event covering our four geographies over a six-week period.

The financial literacy webinar series
In its second year, this webinar series is a collaboration between Commercial Banking and Corporate and Investment Banking divisions (Investment Banking and SWAM). It brought together over 200 SMEs for a knowledge-sharing session on Assessing Long-Term Debt Solutions as an SME Business.

The AfCFTA webinar series
The 2023 edition of the AfCFTA webinar series was an opportunity to introduce and encourage SMEs (whether customers or non-customers) to register on the Ecobank Single Market Trade Hub and gain access to a wider market. This is made possible using its unique online matchmaking tool for traders, buyers, sellers and suppliers: the MyTradeHub.

Awards and recognition

We are happy to report that in 2023 the Commercial Banking Business won the following awards in recognition of our outstanding work with SMEs:

1. Euromoney Excellence Awards – SME Bank of the Year.
2. IC Publication African Bankers Award – SME Bank of the Year (Ecobank Senegal)
3. Qorus–Accenture Banking Innovation, The Beyond Core Banking Offerings Award – Ellevate by Ecobank (Bronze Award)
4. IFC & NGX Group, Nigeria2Equal Gender Leader Awards – Gender Diversity in Supply Chain – Ecobank Nigeria
5. Development Bank of Nigeria (DBN) Annual Service Ambassador Awards, Platinum Service Ambassador – Ecobank Nigeria
6. Development Bank of Nigeria (DBN) Annual Service Ambassador Awards, Bank with the highest impact on Women Issues – Ecobank Nigeria.
7. Development Bank of Nigeria (DBN) Annual Service Ambassador Awards, Bank with the highest impact on MSMEs Accessing Credit for the first time – Ecobank Nigeria
8. Euromoney Market Leader, SME Banking – Market Leader (Ecobank Ghana)

Looking ahead to 2024: 'A Better Way | A Better Africa'

We commit to our renewed focus on Growth, Transformation and Returns.

We will be innovative in our solutions with a view to building scale, growing our portfolio and diversifying our revenue streams. We are putting in the work to transform our sales culture and improve productivity.

We will be reviewing our branches to support sales, services and transaction capabilities more efficiently. Ensuring an optimal distribution network for our physical channels, including branches and ATMs, will potentially result in realignment, relocation, resizing and mergers.

We will vigorously drive our digital agenda while further improving utilisation rates. Deposit growth will be key, and we will pay great attention to our deposit mix. Credit discipline will be maintained while growing the loan book in a sustainable manner with the additional risk-sharing facilities now available to us.

In conclusion, I would like to thank all our customers for the support and the opportunity they give us each day to be of service to them.

My sincere appreciation also goes to the entire Commercial Banking team for their commitment to delivering a solid performance. We can all be proud of what we have accomplished together.

Let us make 2024 an even better year – thank you.

Carol Oyedeji
Group Executive, Commercial Banking (Acting)

Corporate and Investment Banking overview

Introduction

I am pleased to present the Corporate and Investment Banking (CIB) report for 2023 which highlights our performance and marks a major achievement as the business registered a milestone in revenue growth, showcasing the resilience of our operations and the strength of our diversified footprint.

In spite of the challenging business environment, macroeconomic headwinds, shocks from sovereign defaults and political instabilities in some of our key markets, CIB sailed through and delivered revenue of over $1 billion. This was a significant and first-time achievement in the business's history, which I dedicate to the entire staff of the CIB organisation and our partners across the Group. When I took over the mantle of leading this complex and exciting business, I came with the challenge of inspiring the delivery of a $1 billion in revenue business. It took two years of hard work and dedication to get to this level, and it owes much to our belief in the franchise, to our clients and also to the management and ETI board in supporting our ambition.

Revenue for the business in 2023 closed at $1.034 billion, which is 11% above our $935 million target and 5% growth from prior year 2022. This growth and contribution came across our markets, however it was mainly influenced by our Central, Eastern and Southern African (CESA) region, our Francophone West Africa (UEMOA) business and our international business based in Paris, France.

Reeling from the sovereign default in Ghana, which significantly impacted the business revenue in Anglophone West Africa (AWA), our profit before tax closed at $309 million, compared to $333 million in 2022, a decline of 7%. This was mainly due to increasing impairment buffers as we anticipate the restructuring impact of Ghana Eurobonds following a default in 2022.

The business maintained a well-diversified balance sheet across our markets, as the client coverage segments and product houses focused on liquidity raising, maintaining capital light assets and improved origination, and deal execution. CIB closed with a deposit base of $8.6 billion in line with the plan, however, lower than prior year 2022 of $8.9 billion due to currency depreciation in Nigeria and Malawi.

Despite the liquidity challenges, policy instability and increased political instability, we continued to support projects in our markets across our client base. Our gross loans and advances to customers closed 2023 at $8.1 billion which is above the $7.6 billion plan but was still lower than the $8.5 billion in 2022.

As the Group transitions to a new leadership and implements the Growth, Transformation and Returns (GTR) strategy, the business will continue to support our clients, invest in sustainable projects through the soon to be established Sustainable Finance unit and continues to invest in our systems and risk management processes. The performance, delivered through our product organisations, is detailed below.

Sustainable finance

Sustainable finance continues to be a core focus for CIB. As the biggest pan-African bank, we recognise our significant role in the transition towards a greener and more sustainable economy. Our goal is to become a gateway for sustainable finance and investments in Africa and a sustainable finance partner of choice for our customers and investors.

In line with this commitment, and as an example, we partnered with the International Finance Corporation (IFC) and a consortium of lenders to provide €242 million in financing for Senegal's cement industry. The financing was directed toward building a new production line for a cement plant, with the objective of reducing its carbon footprint. Our main goal was to support the decarbonisation of Senegal's industrial sector and to help achieve the objectives of the Paris Agreement.

We also signed a $200 million agreement with the African Guarantee Fund (AGF) to finance green initiatives and provide loans to women-led businesses in Africa. Our primary focus is to make loans easily accessible for African small and medium-sized enterprises (SMEs), and this partnership will cover 27 of our subsidiary markets, providing 50% coverage for eligible SMEs across that region. The AGF guarantee was first issued in 2013 for seven countries. This agreement is the largest guarantee facility in sub-Saharan Africa that also provides green and gender financing opportunities.

In 2024, we plan to refine our sustainable finance operating model and strategy to align with the Bank's new Group business strategy and position ourselves as a leading provider of sustainable finance in Africa by facilitating and financing around $5 billion of green and sustainable finance transactions over the next five years. To accomplish this goal, we will allocate additional resources towards sustainable finance and collaborate with development finance institutions and multilateral finance companies to gain access to lower-cost financing that can support our clients. Additionally, we plan to diversify our portfolio by introducing new and innovative products designed to meet the needs of our clients.

Cash Management and Payments business

Our Cash Management and Payments business remains a cornerstone of CIB's growth and profitability, consistently delivering exceptional value to our diverse range of customers. By leveraging cutting-edge technology, we provide comprehensive working capital management and transactional banking solutions tailored to our clients' needs across multiple markets and currencies.

In the sales and new business development space our commitment to expanding our reach was demonstrated by our continued pursuit of key customer banking mandates across our geographical footprint. This drive for growth culminated in a remarkable 24% surge in new business acquisitions compared to the previous year, firmly establishing us as a trusted and preferred partner. This impressive growth trajectory positions our pan-African Banking Payments and Collections platforms as the ideal choice for SMEs, state-owned enterprises, corporates, multinationals, international organisations and financial institutions operating across the continent. The continued adoption of our platform by such a wide range of clients underscores the unparalleled relevance and versatility of our solutions which are tailored to meet the specific needs of each client segment.

“In spite of the challenging business environment, macroeconomic headwinds, shocks from sovereign defaults and political instabilities in some of our key markets, CIB sailed through and delivered revenue of over $1 billion. This was a significant and first-time achievement in the business's history.”

Eric Odhiambo
Group Executive, Corporate and Investment Banking

Our disbursement business witnessed remarkable growth in 2023, driven by a surge in both the volume and value of electronic payments. Our corporate electronic payment delivery channel, Omni Plus registered 14% and 7% growth in transaction volumes and values respectively. The performance was fuelled by our unwavering commitment to enhancing processing efficiency, improving platform availability and maintaining agility throughout 2023. These efforts led to the continued adoption of our payment products.

Corporate and Investment Banking overview

A pivotal innovation in 2023 was the development of our new cross-border rapid payment solution. This groundbreaking solution ensures that corporate customers can seamlessly perform cross-border payments within our network without the need to route their transactions through the SWIFT platform or gateway. This results in increased efficiency, timely and near real-time fulfilment of payments to beneficiaries within our network. Additionally, our Bank successfully achieved adherence to the SWIFT ISO20022 standards ahead of the deadline, demonstrating our commitment to maintaining the highest standards of compliance and operational excellence. Moving forward, we remain dedicated to driving digital payments processing across all our delivery channels, fostering continuous product innovation and enhancements, and establishing strategic partnerships. As we move forward, we confidently anticipate continued growth in transactions across all our markets.

Our Acquiring business went through a de-risking process offloading some high risk-low margin merchants and implementing a new and more stringent merchant onboarding criteria. These measures undertaken in late 2022 and early 2023, particularly in our key markets of Nigeria and Kenya, resulted in a significant reduction in transaction volume and value through our merchant acquiring channels. We have now set the right foundations upon which we will look to grow the business aggressively but safely and sustainably in the coming years.

Our Receivables business demonstrated notable success, as transaction value grew by 14% from $5.5 billion in 2022 to $6.3 billion, while transaction volume remained flat year-on-year. This muted growth in transaction volume was partly driven by our customers' increasing adoption of our digital channels for collections. Our traditional receivables business, which operates primarily through the branch-driven RapidCollect platform, has experienced a decline in branch footfall as the momentum towards digital adoption increases. Despite this shift, our digital collection capabilities continue to excel and adapt to changing customer behaviours. The RapidCollect platform offers a comprehensive suite of cost-effective collection channels that streamline the client's collection process, enhance the receivables cycle and improve reconciliation processes for our customers through customised payment reports.

Our unwavering commitment to exceptional service and innovation has been publicly recognised through winning a series of prestigious awards in 2023. At the Global Finance Treasury and Cash Management Awards 2023, Ecobank Côte d'Ivoire emerged as the Best Cash Management Bank in Côte d'Ivoire, while Ecobank Togo was recognised as the Best Bank in Togo by Global Finance in their Best Banks Awards 2023. Additionally, Ecobank received the prestigious award for Most Innovative Financial Institution in Africa at the Global Finance Innovator Awards 2023. Furthermore, Ecobank Benin, Ecobank Guinea, Ecobank Liberia, Ecobank Mali and Ecobank Togo were all named the Best Bank in their respective countries by The Banker in their Best Bank Awards 2023. These awards serve as a testament to our unwavering commitment to providing exceptional cash management solutions and innovative financial services to our clients across Africa. We are honoured to receive these accolades and remain committed to continuously raising the bar of excellence in the financial industry.

As we embark on the exciting journey of 2024, our Cash Management and Payments business stands firmly positioned to redefine the financial landscape, seamlessly empowering our customers to navigate the ever-evolving global business terrain with unparalleled agility and efficiency. With unwavering confidence in the transformative power of our cutting-edge technology and continued dedication to innovation, we are set to propel our Cash Management and Payments business to unprecedented heights.

Trade Finance and Services

In 2023, through our Trade Finance product line we continued to execute our strategy to be the preferred trade bank on the continent and empower the single African market under the AfCFTA, as a flagship programme of the 2063 Agenda, "The Africa we want."

It is in line with the objective of fostering intra-African trade that in March 2023 we launched the Ecobank Single Market Trade Hub, a platform featuring a one-stop information repository on the AfCFTA and designed to support SMEs, regional and local corporates showcase their products and services and find reliable African business partners across continental trade corridors with a view to transact, leveraging on our network's advantage as epitomised by our superior trade and cross-border payment solutions and digital channels. I am pleased to report that, since its launch, more than 3,000 traders have enrolled in our Trade Hub across 31 African markets. This platform was one of the key innovations that led to our Group being recognised as "Most Innovative Financial Institution in Africa" in 2023 by Global Finance.

We further enhanced our trade credentials by consolidating our Trade Finance loan book to $2.3 billion. Leveraging on Supply Chain Financing, and lead arranger roles or participation in strategic soft commodities pre-export campaign financing across the continent – notably cotton, cocoa, soya beans, cashew nuts – we also focused on fertiliser input programmes, reaching total funding of $450 million.

On the Trade Services front, despite the currency volatility in a few markets, our volumes of letters of credit (LCs) across the continent reached $2.2 billion as we continued to leverage Ecobank International as a gateway to LCs confirmation, discounts and payments. We also prioritised improving our customer experience through our digital bank drive under which e-trade volumes grew to a record volume of $1.5 billion.

In recognition of our market leadership on trade, Global Trade Review named our Group as the Best Trade Finance Bank in West Africa (for the second year in a row) and in Côte d'Ivoire, while Global Finance Magazine recognised Ecobank Côte d'Ivoire, Ecobank Cameroon, Ecobank Burkina Faso, Ecobank Rwanda and Ecobank Ghana as Best Trade Finance Providers in their respective markets, epitomising the continued progress in our agenda to deliver "A Better Way, a Better Africa" through intra-African trade.

Fixed Income, Currencies and Commodities (FICC)

Due to US interest rate increases that started in 2022, our countries in sub-Saharan Africa have experienced difficulties from a combination of weaker foreign exchange (FX) and higher interest rates. Global investors have taken a risk-off approach, which has affected banks with lower liquidity and higher default risk.

Notwithstanding this, the FICC business thrived and recorded strong performance closing at 13% above target. This was led by our FX and Fixed Income Sales business as FX volumes increased by 14% to $66 billion in 2023 as we continued to focus in providing best-in-class treasury products and services to clients.

Our Professional Markets business, which are Trading and Asset Liability Management (ALM), experienced serious headwinds in the past year as a result. We were especially affected by the Ghana debt restructuring which has resulted in significant reduction in accrual income and reduced risk appetite. Despite these challenges, the business was able to grow in our other regions, specifically the ALM business in Central African Economic and Monetary Community (CEMAC), as well trading business in Nigeria and UEMOA.

In 2024, we continue to focus on Ecobank International as a hub to the international market, offering unique access to more than 35 countries in Africa and proposing a single platform for trading in African currencies and assets. We will continue to invest in the commodities desk and improve our hedging capabilities as we strengthen our risk management solutions. We will continue to be a market leader in treasury services and solutions and strengthen our position as the preferred bank for foreign exchange and structured transactions.

Investment Banking

The Investment Banking (IB) Business was challenged by the difficult environment ranging from rating downgrades, political transition, market inactivity and liquidity crunches in some of our key markets. The effects of these variables subdued appetite and the capital investment needed to trigger IB activities.

IB recorded 2% growth in deal execution and closed the year with $2.4 billion in transaction values. Margins narrowed and the business delivered 55% of its budget due to adverse market conditions. Some of the significant transactions executed during the period were in the electricity and power sector, which accounted for about $567 million, and road infrastructure, accounting for $367 million, as we participated in advancing development projects.

Additionally, the global inflationary pressures which triggered the central banks' hawkish policy response to control inflation has driven interest rates up in the developed markets, therefore, investors and financial institutions have cut back on the riskier but higher yielding emerging market assets. These conditions have impacted our distribution in 2023. The recession risk on the horizon is, however, compelling regulators to resort to an easing stance which may eventually reduce rates and thereby usher in the arbitrage between emerging and advanced markets which will re-energise the distribution trade as we head into 2024.

Securities, Wealth and Asset Management

It was a turbulent year for the Wealth and Asset Management (WAM) business as market risks and severe macroeconomic imbalances in most markets undermined asset prices and the ability of clients to invest. The effects of government bond default in Ghana and currency developments in Nigeria further constrained the business's performance, particularly on new subscriptions. These challenges also culminated in redemption levels being higher than our historical levels. This notwithstanding, we grew Assets under Management (AUM) by 13% from $870 million in 2022 to $986.58 million ($1.225 billion in constant currency terms) in 2023. You will recall that in 2022, the WAM business suffered markedly from market risk disruptions with AUM declining from $1.376 billion at the end of 2021 to $870 million at the end of 2022.

The WAM business continues to deepen its product suite as three new investment funds were added to its offerings during the year, with other additional products undergoing regulatory approval processes. These initiatives are positioned to provide enhanced value to our clients and support the recovery and growth of our AUM in the medium term. The business also expanded its distribution coverage within the CEMAC region beyond its anchor market in Cameroon.

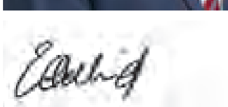
Corporate and Investment Banking overview

The Securities and Investor Services (SIS) business executed transactions worth $500 million, down from $3.5 billion in 2022. This drop reflected the current macroeconomic challenges impacting on the Debt Capital Market (DCM) distribution segment in UEMOA and the market trading values slump in Ghana and Nigeria. Total Assets Under Custody in our SIS business ended the year at $2.1 billion, an increase of 11% from 2022. We have also concluded all processes and obtained all regulatory approvals to launch and grow our custody business in Nigeria. We will focus on launching our offer and growing our customer base in 2024.

Finally, the business will continue to deploy its strategy to deepen our SIS offerings in CEMAC and lead the growth of that market as a whole in that region.

In conclusion, Corporate and Investment Banking will continue to position the business as the market experts in providing unparalleled financial solutions across our 34 countries, supporting our clients to achieve growth opportunities and helping our communities to advance through supportive development programmes.

We will aim to increase investment in green and sustainable finance and continue strengthening our risk management capabilities as we implement the Growth, Transformation and Returns (GTR) strategy to achieve a $2 billion revenue business by 2028.



Eric Odhiambo
Group Executive,
Corporate and Investment Banking

03

Corporate Governance

Responsible.
Strategic.
Sustainable.

A better way.
A better Africa.

The Board of Directors

Our Board of Directors oversees our corporate strategy and has responsibility for the appropriate and effective administration of the Ecobank Group. Its primary responsibility is to foster the long-term success of the Group, consistent with its fiduciary responsibility. The Board delegates the day-to-day operations of the Group to the executive management.

Alain Nkontchou
Chairman since 2020,
Non-Executive Director
since 2014

Jeremy Awori
Group Chief Executive
Officer since 2023

Aichatou A. Pouye
Independent
Non-Executive Director
since 2018

Hervé S. Assah
Independent
Non-Executive Director
since 2020

Dr. George Agykum Donkor
Non-Executive Director since 2020 (nominee of EBID)

Simon Dornoo
Independent Non-Executive Director since 2020

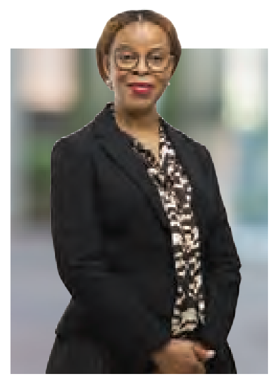
Brian Kennedy
Non-Executive Director since 2017 (nominee of Nedbank Group Limited)

Deepak Malik
Non-Executive Director since 2019 (nominee of Arise B.V.)

Zanele Monnakgotla
Non-Executive Director since 2020 (nominee of the Public Investment Corporation)

Dr. Catherine Ngahu
Independent Non-Executive Director since 2016

Mfundo Nkuhlu
Non-Executive Director since 2015 (nominee of Nedbank Group Limited)



Prof. Enase Okonedo
Independent Non-Executive Director since 2020

David O'Sullivan
Non-Executive Director since 2017 (nominee of Qatar National Bank)

Dr. Aasim Ahmad Qureshi
Non-Executive Director since 2019 (nominee of Qatar National Bank)

The Board of Directors: Biographies

Alain Nkontchou
60
Cameroonian

Chairman since 2020, Non-Executive Director since 2014

Current external role(s):

- Co-founder of Enko Capital, an Africa-focused multi-asset manager, based in London, Johannesburg, Abidjan and Yaoundé. Managing Partner and Chief Investment Officer of Enko Africa Debt Fund.
- Member of the Acquisition Committee for African Art at the Tate Modern Museum in London (United Kingdom).
- Overseas member of the Fondation Maeght based in Saint-Paul de Vence, France.

Relevant skills:

- Asset management; Economics; Executive Compensation; Executive leadership; Investment; Investment Banking; Monetary Policy; and Bank Supervision.

Previous experience/roles:

- Prior to founding Enko in 2008, he was Managing Director in Global Macro Trading at JP Morgan Chase, Credit Suisse and BlueCrest Capital Management, between 1989 and 2008.
- Board member of Laurent-Perrier, a leading champagne company listed on the Paris Stock Exchange, from 1999 to 2009.

Education & Qualifications:

- MSc in Electrical Engineering from Ecole Supérieure d'Electricité in Paris and Pierre et Marie Curie University, Paris.
- MSc in Finance and Accounting from Ecole Supérieure de Commerce in Paris.

Jeremy Awori
53
Kenyan

Group Chief Executive Officer since 2023

Current external role(s)

- N/A

Relevant skills

- Business and Digital Transformations, Business Administration and Strategy, International Business, Innovation and Product Development, Sales Management, Culture and Corporate Governance, Change Management, Financial Technology, Marketing/Digital/Data, Operational Excellence and Transformation, Retail Banking, Strategic Management and Sustainable Finance.

Previous experience/role(s)

- Prior to joining Ecobank, Jeremy served in leadership roles including Managing Director and Chief Executive Officer of Absa Bank Kenya for 10 years, and senior roles at Standard Chartered for 16 years in various countries and regions across the Middle East, South Asia and Africa.
- Jeremy served as the Chairman of the Kenya Bankers Association
- He was also a Board Member for: Kenya Private Sector Alliance (KEPSA), United Nations Global Compact Network and Absa Financial Services (Absa Group South Africa)
- Jeremy was appointed by His Excellency the President of Republic of Kenya to serve as a Board member and lead fundraiser of the Kenya Emergency COVID-19 Fund, to steer the private sector response to the COVID-19 pandemic.

Education & Qualifications

- MBA in Finance, Strategy and International Business from McGill University and a BSc in Pharmacy from Manchester University.
- Completion of Executive / Leadership Advanced Management programs at Insead Business School, London Business School, Oxford University. Harvard Business School and IMD Business School.
- Named as one of the top two business leaders on the continent at the All-Africa Business Leaders Awards (AABLA) in 2018.
- Recognised as the Number One Most Influential CEO shaping the business agenda in East Africa by Business Monthly magazine for three consecutive years (2020 to 2022).
- Fellow of both the Aspen Global Leadership Institute and African Leadership Initiative, and a member of the Young Presidents Organization.

Aichatou A. Pouye
65
Senegalese

Independent Non-Executive Director since 2018

Board Committees:[1]
A*, I

Current external role(s):

- Member, Advisory Committee on Oversight, UN WOMEN.

Relevant skills:

- Audit; Accounting; Business Administration; Corporate Strategy; Commercial Banking; Governance; Enterprise Strategy; Executive Leadership; Financial Services & Advisory; Market Development; Public Sector Board Service; Succession Planning; Regulatory Affairs; Sales; Strategic Planning; Trade Finance.

Previous experience/roles:

- Director, Business and Institutional Support; and Market Development, International Trade Centre, Geneva.
- Director General, MCA Senegal.
- Minister of SMEs and Trade, Senegal.
- General Administrator, Economic Promotion Fund – refinancing fund for SMEs established by AfDB and Senegalese Government.
- Manager, Resident Vice-President, Group Vice-President and member, Management Committee, Citibank.
- Auditor, Auditor Senior and Auditor Supervisor, EY International, Dakar, Senegal.

Education & Qualifications:

- Specialised Postgraduate Degree, Management and Business Administration, IAE.
- BSc and MSc Economics, Université de Paris 9 Dauphine.

Hervé S. Assah
64
Congolese (Brazzaville)

Independent Non-Executive Director since 2020

Board Committees:[1]
F, G

Current external role(s):

- Managing Partner, Æquaria Capital – fund management company.

Relevant skills:

- Business Administration; Corporate, Development, Project, Structured & Trade Finance; Financial Advisory; Fund & Strategic Management; International Business and Management; Investment Banking.

Previous experience/roles:

- Deputy Director, Thales Group's Investment Bank.
- Deutsche Bank's Emerging Markets Group.
- BNP-Paribas – led originating, structured financing, corporate investment opportunities and advisory for debt and equity investments.
- 25 years+ at World Bank Group including IFC's Oil Gas and Mining Investment Department; Finance Competitiveness and Innovation Global Practice, advising governments on sectors to improve competitiveness and attract FDI.
- NED, Africa Reinsurance Corporation; and West Africa Development Bank.
- Resident Representative/Country Manager, African Development Bank, Nigeria.

Education & Qualifications:

- MBA, Finance, Wharton School, University of Pennsylvania.
- MSc, International Economics and Finance, Paris Sorbonne University.
- MBA, Institut Supérieur de Gestion.

1: Key for Committee Membership
A Audit, Internal Control and Compliance Committee, **F** Finance, Risk and Credit Committee, **G** Governance, Nomination, Remuneration and Ethics Committee, **I** Information Technology, Social and Reputation Committee, ***** Denotes Committee Chairperson

The Board of Directors: Biographies

Dr. George Agykum Donkor
57
Ghanaian

Non-Executive Director since 2020 (nominee, EBID)

Board Committees[1]: I

Current external role(s):

- President and Chairman of the Board of Directors of the ECOWAS Bank for Investment and Development (EBID).
- Board Member, WAICA Reinsurance Corporation Plc.
- Board Member, Asky Airlines.
- Council Member, University of Ghana, Legon.
- Adjunct Lecturer, Business School, University for Development Studies (UDS), Tamale, Ghana.

Relevant skills:

- Administration; Business and Corporate Strategy; Business, Change and Talent Management; Compliance; Governance; Development and Project Finance; Executive Leadership; Finance; Investment Banking; Law; Marketing; Operational Transformation.

Previous experience/roles:

- Vice-President, Finance and Corporate Services, EBID.
- Head, Legal Division/Compliance, EBID.
- Head, Legal/Regulatory and Compliance, ARB Apex Bank, Ghana.

Education & Qualifications:

- Doctor of Business Administration and Master of Applied Business Research, SBS Swiss Business School, Zurich, Switzerland.
- PhD (Marketing), Commonwealth Open University, British Virgin Island.
- Executive MBA (Marketing), University of Ghana Business School, Legon.
- Postgraduate Certificate in Contemporary Management, Nobel International Business School, Ghana.
- Post Graduate Professional Law Certificate, Ghana School of Law.
- LLB (Hons), University of Ghana.

Simon Dornoo
62
Ghanaian

Independent Non-Executive Director since 2020

Board Committees[1]: A, F*

Current external role(s):

- Business consultant with over 30 years' experience in banking and financial services.
- Board Director, Hollard Life Ghana Limited.

Relevant skills:

- Audit and Accounting; Business and Corporate Strategy; Corporate Restructuring; Credit Management; Debt Capital Markets and Treasury; Executive Leadership; Governance and Risk Management.

Previous experience/roles:

- Former Managing Director, GCB Bank, Ghana, successfully led turnaround and restructuring into modern, profitable and resilient commercial bank.
- Senior management positions at Barclays Bank,
- Ghana, including Finance Director and Country Treasurer. Finance Director for Barclays Africa overseeing Finance Operations in 11 African and Indian Ocean countries.
- Finance Director and Head of the Credit and Relationship Banking Units, Cal Bank Ghana.
- Assurance services, KPMG.
- Served on Boards of financial services, trade facilitation and healthcare companies and the Stock Exchange.

Education & Qualifications:

- Chartered Accountant, (CA Ghana); Member, Institute of Chartered Accountants (Ghana).
- MBA Finance, Manchester Business School, UK.

1: Key for Committee Membership
A Audit, Internal Control and Compliance Committee, **F** Finance, Risk and Credit Committee, **G** Governance, Nomination, Remuneration and Ethics Committee, **I** Information Technology, Social and Reputation Committee, ***** Denotes Committee Chairperson

Brian Kennedy
63
South African

Non-Executive Director since 2017 (nominee of Nedbank Group Limited)

Board Committees[1]: G

Previous external role(s):

- Nedbank Group for 24 years, holding various senior leadership roles including CEO of Nedbank's CIB franchise, and was Group Exco and Group Alco member from 2003 until 2020. He was instrumental in a vast array of Capital market transactions in many jurisdictions on the African continent during this period.

Relevant skills:

- Capital Market Transactions, Compliance Risk, Corporate Strategy, Credit Management, Investment Banking, Governance, Human Resources, Risk Management.

Previous experience/roles:

- Leadership positions in Investment Banking for nine years prior to joining Nedbank.

Education & Qualifications:

- BSc (Eng), MSc (Eng) and MBA, University of the Witwatersrand.

Deepak Malik
66
Indian

Non-Executive Director since 2019 (nominee of Arise B.V.)

Board Committees[1]: G

Current external role(s):

- Non-Executive Director of listed and non-listed companies across banking, Fintech, freight services, trade finance, private equity.

Relevant skills:

- Audit; Accounting; Business Administration & Strategy; Capital Markets, Treasury; Change Management; Commercial Banking; Corporate Strategy; Development, Structured, Sustainable & Trade Finance; Executive Leadership, Management & Compensation; Financial Services, Advisory & Technology; Governance.

Previous experience/roles:

- Retired as CEO, Arise B.V. in 2022 – investment/development partner for sub-Saharan African financial service providers.
- Head, Southern Africa Office; and Financial Institutions, Norfund – overall responsibility for Southern African, Central American and South Asian financial institutions.
- Regional Representative, Denmark Government's Investment Fund for Developing Countries.
- MD, Development Bank of Zambia.
- Various Board positions, including banks.

Education & Qualifications:

- Fellow Member, Institute of Chartered Accountants, India.
- Bachelor's Degree, Commerce, University of Delhi, India.

1: Key for Committee Membership
A Audit, Internal Control and Compliance Committee, **F** Finance, Risk and Credit Committee, **G** Governance, Nomination, Remuneration and Ethics Committee, **I** Information Technology, Social and Reputation Committee, ***** Denotes Committee Chairperson

The Board of Directors: Biographies

Zanele Monnakgotla
52
South African

Non-Executive Director since 2020 (nominee of the Public Investment Corporation)

Board Committees[1]: I

Current external role(s):

- NED, Sasol Khanyisa; Sasol South Africa,
- Philafrica Pty Ltd, and Rand Water

Relevant skills:

- Corporate Strategy; Change; Strategic; Real Estate; Commercial & Corporate Banking; Compliance Risk; Governance; Development; Project & Structured Finance; Digital Innovation; Transformation and Fintech; Financial Services & Advisory; Investment; Legal and Regulatory.

Previous experience/roles:

- Head of Innovation, Head of Strategic High Impact Projects, Manager of CEO's Office & Senior Project Manager at the Industrial Development Corporation.
- Founder & Executive, Freewi Technologies – innovative IT, WiFi and network systems company.

Education & Qualifications:

- Chartered Director, Institute of Directors, South Africa.
- Diploma, Property Investment, University of Cape Town.
- Master's, Finance, Wits Business School.
- LLM, Tax, Wits University.
- LLB and B Com, Rhodes University.

Dr. Catherine Ngahu
62
Kenyan

Independent Non-Executive Director since 2016

Board Committees[1]: G, I*

Current external role(s):

- Senior Lecturer, University of Nairobi; Founder Chairperson SBO Research; Diverse directorships.

Relevant skills:

- Branding; Business Administration; Business Research; Corporate Strategy; Communications; Consumer Behaviour; Corporate Governance; Data Analysis; Digital Transformation; Executive Management; Government/Public Affairs; HR & Market Development; ICT Policy; Marketing; Management Education; Public Sector Board Service, Policy, Regulatory, Succession Planning; Fund Operationalisation & Oversight.

Previous experience/roles:

- Managing Director, SBO Research. Business Strategy Lead Consultant
- Chairperson – Universal Service Fund for ICT; Uchumi Supermarkets PLC; Kenya ICT Authority; Project Governance Chair – Kenya Transparency and Communications Infrastructure Project.

Education & Qualifications:

- PhD in Business Administration, MBA & Bachelor of Education, University of Nairobi.
- Alumni Business Research Fellow, Wharton Business School, University of Pennsylvania.

1: Key for Committee Membership
A Audit, Internal Control and Compliance Committee, **F** Finance, Risk and Credit Committee, **G** Governance, Nomination, Remuneration and Ethics Committee, **I** Information Technology, Social and Reputation Committee, * Denotes Committee Chairperson

Mfundo Nkuhlu
57
South African

Non-Executive Director since 2017 (nominee of Nedbank Group Limited)

Board Committees[1]: F

Current external role(s):

- Chief Operating Officer and Executive Director, Nedbank Limited and Nedbank Group Limited since 2015. Senior roles at Nedbank for previous 18 years, including Managing Executive, Nedbank Corporate, Corporate Banking, and Nedbank Africa.

Relevant skills:

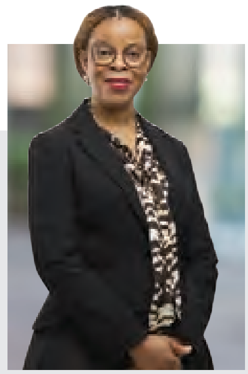
- Business Acumen & Leadership; Credit, Executive, Leadership & Emerging Market Risks Management; Digital Transformation; International Trade Negotiations; Operational Change & Risk; Optimising Shared Services.

Previous experience/roles:

- Chief Director, Africa and NEPAD programme, DTI.

Education & Qualifications:

- BA Honours, University Western Cape.
- Completed Strategic Management in Banking, INSEAD.
- Alumnus, Advanced Management Programme, Harvard Business School.



Prof. Enase Okonedo,
FCA (57)
Nigerian

Independent Non-Executive Director since 2020

Board Committees[1]: F, G*

Current external role(s):

- Professor of Management and Vice-chancellor, Pan-Atlantic University Nigeria
- Chairperson – ATC Nigeria Wireless Infrastructure Limited

Relevant skills:

- Business and Corporate strategy; Governance; Talent development; Executive leadership; Financial services; Capital Markets.

Previous experience/roles:

- Dean, Lagos Business School, Nigeria
- Over 30 years' experience in management education and financial services
- Served on Boards in banking, stock exchange, power and energy, and business education sectors

Education & Qualifications:

- Fellow of the Institute of Chartered Accountants of Nigeria (FCA); Institute of Directors, Nigeria; the Society of Corporate Governance Nigeria; and the International Academy of Management.
- Doctorate in Business Administration, International School of Management, Paris.
- MBA, IESE Business School, Barcelona.
- BSc in Accounting, University of Benin.

1: Key for Committee Membership
A Audit, Internal Control and Compliance Committee, **F** Finance, Risk and Credit Committee, **G** Governance, Nomination, Remuneration and Ethics Committee, **I** Information Technology, Social and Reputation Committee, ***** Denotes Committee Chairperson

The Board of Directors: Biographies

David O'Sullivan
49
Irish

Non-Executive Director since 2017 (nominee of Qatar National Bank)

Board Committees[1]: A

Current external role(s):

- Group General Counsel QNB Group. Over 20 years' experience as lawyer and investment banker for corporate and financing transactions in emerging markets (Middle East, Africa and Eastern Europe). Leading role in QNB's Ecobank investment. Director, QNB Global Funds ICAV – EU fund authorised by Central Bank of Ireland with sub-funds including MENA.

Relevant skills:

- Asset Management; Capital Markets and Treasury; Compliance Risk; Corporate Banking & Finance; Restructuring & Strategy; Governance; ESG; Financial Services & Advisory; Governance; Executive Leadership, International Business, Credit, Strategic & Talent Management; Investment; Investment Banking; Lawyer, Legal and Regulatory; Public Company Board Service and Succession Planning; Public Administration, Policy and Regulatory Affairs; Project, Structured, Sustainable & Trade Finance; Transaction Services.

Previous experience/roles:

- General Counsel of QNB Group since 2012.

Education & Qualifications:

- Chartered Financial Analyst.
- Solicitor and Member of the Law Society of England and Wales.
- Law degree (LLB), Trinity College, Dublin.

Dr. Aasim Ahmad Qureshi
47
British

Non-Executive Director since 2019 (nominee of Qatar National Bank)

Board Committees[1]: F

Current external role(s):

- Managing Director, Investment Banking at QNB Capital LLC, and holds a senior executive position at QNB Capital in London and Paris. He is also a member of the Investment Committee of a large regulated investment fund and oversees a significant European real estate portfolio.

Relevant skills:

- Advising Private and Listed Companies; Capital Markets; Corporate and Sovereign Bonds; Corporate Financing; Corporate Restructurings; Corporate Strategy; Investment Banking; Merger and Acquisition Transactions from origination to close; Primary and Secondary Initial Public Offers.

Previous experience/role(s)

- Investment banker at Nomura Code Securities Limited.
- Lawyer with CMS Cameron McKenna LLP, advising private and listed corporate clients.

Education & Qualifications:

- Various postgraduate qualifications in law, management and medicine.

1: Key for Committee Membership
A Audit, Internal Control and Compliance Committee, **F** Finance, Risk and Credit Committee, **G** Governance, Nomination, Remuneration and Ethics Committee, **I** Information Technology, Social and Reputation Committee, ***** Denotes Committee Chairperson


Ecobank
The Pan African Bank
Better banking comes from listening to our customers. The better we know you the better we serve you.
A BETTER WAY
TO SERVE YOU
Discover more at ecobank.com/abetterway
A BETTER WAY
A BETTER AFRICA

Directors' Report

The Directors of Ecobank Transnational Incorporated ("the Company") are pleased to present their report on the affairs of the Company for the financial year ended 31 December 2023.

Legal and regulatory framework

Ecobank Transnational Incorporated ("ETI"), the parent company of the Ecobank Group ("the Group"), is a financial holding public limited liability company incorporated in Lomé, Togo, on 3 October 1985 under a private sector initiative led by the Federation of West African Chambers of Commerce and Industry and the Economic Community of West African States (ECOWAS).

ETI benefits from specific privileges and exemptions that were granted under the Headquarters Agreement executed between ETI and the Republic of Togo pursuant to Ordinance No 85-16 of 5 September 1985. These include immunities, privileges for itself, its Board and senior staff as well as a non-resident financial status.

Since 2006, by virtue of the listing of its shares on the Bourse Régionale des Valeurs Mobilières (BRVM) in Abidjan, the Ghana Stock Exchange (GSE) in Accra and the Nigerian Exchange (NGX) in Lagos, ETI has been complying with the rules of the capital market regulators as well as those of the stock exchanges in these three markets.

The Commission Bancaire of the West African Monetary Union supervises ETI.

Principal activity

Its principal activity is the creation and acquisition of operating units for the provision of banking, economic, financial and development services. The Ecobank Group is the leading pan-African bank with banking operations in 33 countries across the continent.

The Group also has a licensed operation in Paris and representative offices in Addis Ababa, Beijing, Dubai, Johannesburg and London.

Business review

Following the completion of the 'Execution Momentum' Strategy in 2022, the company focused on the formulation and execution of the Growth, Transformation and Returns Strategy in 2023. This was done throughout the geographies and the four business verticals of the Group, namely Corporate and Investment Banking, Commercial Banking, Consumer Banking and Payments, Remittances and Fintech. The Group remained focused on executing the Growth, Transformation and Returns Strategy to deliver sustainable long-term value for all stakeholders.

A detailed review of the Group's business for 2023 is contained in the 'Business and Financial Review' section of the annual report on pages 132-155.

Highlight of results

ETI made a profit after tax of $498.4 million for the financial year ended 31 December 2023.

The detailed results for 2023 are set out in the Parent Company financial statements. The Board of Directors approved the financial statements of the Parent Company, as well as the consolidated financial statements for the year ended 31 December 2023, at its meeting on 14 March 2024.

Messrs. Alain Nkontchou, Jeremy Awori and Ayo Adepoju were authorised to sign the accounts on behalf of the Board.

The accounts of ETI and the Ecobank Group are prepared in accordance with International Financial Reporting Standards ("IFRS").

Share capital

The Authorised Capital of ETI is US$1,250,000,000 as of 31 December 2023.

Trading in ETI shares

Approximately, 644,684,529 units of ETI Ordinary Shares were traded on the Nigerian Exchange (NGX), Lagos, Bourse Régionale des Valeurs Mobilières (BRVM), Abidjan, and the Ghana Stock Exchange (GSE), Accra, in 2023.

Major changes in shareholding

There were no major changes in the shareholding of ETI in 2023.

Board of Directors

The names of the Directors of the Company appear on pages 54 to 62 of this annual report.

As of 31 December 2023, the Board was composed of fourteen (14) Directors: thirteen (13) Non-Executive Directors and one (1) Executive Director, comprising ten (10) male and four (4) female directors from ten nationalities.

The Board of Directors met seven (7) times during the year. The Governance, Nomination, Remuneration and Ethics Committee met nine (9) times. The Finance, Risk and Credit Committee met seven (7) times. The Audit, Internal Control and Compliance Committee and the Information Technology, Social and Reputation Committee met four (4) times.

Directors’ interest in shareholding

Please find below a table containing shareholdings of ETI directors:

#	Name	Direct 2023	Direct 2022	Indirect* 2023	Indirect* 2022	Total 2023	Total 2022
1	Mr. Alain Nkontchou[1]	5,999,999	5,999,999	560,621,201	394,916,489	566,621,200	400,916,488
2	Mr. Ade Ayeyemi	21,513,000	21,513,000	0	0	21,513,000	21,513,000
3	Mr. Jeremy Awori	–	0	0	0	0	0
4	Mr. Hervé Assah	–	0	0	0	0	0
5	Dr. Georges A. Donkor (Representing EBID)	–	0	240,209,077	240,209,077	240,209,077	240,209,077
6	Mr. Simon Dornoo	–	0	0	0	0	0
7	Mr. Brian Kennedy (Nominated by Nedbank Group)[2]	–	0	0	0	0	0
8	Mr. Deepak Malik (Nominated by Arise BV)	–	0	3,487,337,828	3,487,337,828	3,487,337,828	3,487,337,828
9	Ms Zanele Monnagotla (Nominated by GEPF/ PIC)	–	0	3,333,333,333	3,333,333,333	3,333,333,333	3,333,333,333
10	Dr. Catherine Ngahu	–	0	0	0	0	0
11	Mr. Mfundo Nkuhlu (Nominated by Nedbank Group Ltd)[2]	–	0	5,249,014,550	5,249,014,550	5,249,014,550	5,249,014,550
12	Prof. Enase Okonedo	–	0	0	0	0	0
13	Mr. David O’Sullivan (Nominated by QNB)[2]	–	0	4,970,904,524	4,970,904,524	4,970,904,524	4,970,904,524
14	Mrs. Aichatou Agne Pouye	–	0	0	0	0	0
15	Dr. Aasim Qureshi (Nominated by QNB)[3]	–	0	0	0	0	0
	Total	27,512,999	27,512,999	17,841,420,513	17,675,715,801	17,868,933,512	17,703,228,800

* The indirect holdings above are shares held by major institutional shareholders who have nominated the Directors to the Board. These are not shares held by the Directors in their individual capacity.

1 The indirect shares held by Mr. Alain Nkontchou are those of Enko Opportunity Growth Fund Ltd.

2 To avoid double counting Nedbank Group Ltd.’s shareholding is only listed alongside Mr. Mfundo Nkuhlu’s entry.

3 To avoid double counting Qatar National Bank (QNB)’s shareholding is only listed alongside Mr. David O’Sullivan’s entry.

Directors' interest in contracts

During the year no director had any interest in any contract awarded by the institution or any of its subsidiaries.

Corporate governance and compliance

The Group's corporate governance practices have continued to improve as detailed in the Corporate Governance Report on pages **70** to **80**. The Company continues to maintain corporate policies and standards designed to promote transparency, avoid potential conflicts of interest and promote ethical business practices.

The Board is committed to improving the governance of the institution and is working closely with regulators and other stakeholders in the market to strengthen this area.

The Company continues to comply with the requirements of the Commission Bancaire of the Union Monétaire Ouest-Africaine (UMOA) on Corporate Governance, the BRVM Code of Corporate Governance, the SEC Code of Corporate Governance and the Nigerian Code of Corporate Governance 2018.

Subsidiaries

In 2023, the number of ETI subsidiaries remained unchanged from 2022.

ETI has a majority equity interest in all its subsidiaries and provides them with management, operational, technical, business development, training and advisory services. The total number of ETI affiliates consolidated in this Annual Report is 57.

Post-balance sheet events

There were no post balance sheet events that could materially affect either the reported state of affairs of the Company and the Group as of 31 December 2023, or the result for the year ended on the same date, which have not been adequately provided for or disclosed.

Responsibilities of directors

The Board of Directors is responsible for the preparation of the financial statements and other financial information included in this annual report, which give a true and fair view of the state of affairs of the Company at the end of the financial period and of the results for that period.

These responsibilities include ensuring that:

Adequate internal control procedures are instituted to safeguard assets and to prevent and detect fraud and other irregularities;

- Proper accounting records are maintained;
- Applicable accounting standards are followed;
- Suitable accounting policies are used and consistently applied; and
- The financial statements are prepared on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

Independent external auditors

The Joint Auditors of the Company, Deloitte & Touche Nigeria and Grant Thornton Côte d'Ivoire, will continue in office in line with the terms of their engagement.

In accordance with the applicable regulations in Togo, the firms Ernst & Young (EY) Nigeria and KPMG Togo will continue to act as alternate auditors of the company.

Dated in Lomé, 10 May 2024.

By Order of the Board,

Madibinet Cissé
Company Secretary


Ecobank
The Pan African Bank
WE WON!
THE BANKER - BANK OF THE YEAR AWARDS 2023
1
We are delighted to be named 'Bank of the Year 2023' in Benin, Guinea, Liberia, Mali and Togo at The Banker Awards. Our Zimbabwe affiliate also won its first-ever 'Global Award for Financial Inclusion' for its efforts to bank the unbanked.
We are grateful to our customers, partners and all staff members for their support that has made us stand out from the rest. Our aim to deliver the very best customer experience continues!
For more information, visit Ecobank.com
Ecobank
The Pan African Bank

Group Executive Committee

The Group Executive Committee (GEC) consists of the Ecobank Group's most senior executives and is led by the Group Chief Executive Officer (GCEO). It is the driving force behind the day-to-day operational management of the Group and its subsidiaries. As a crucial governance body, the GEC holds decision-making authority in specific areas of Group management, and its strategic alignment with the GCEO ensures the successful implementation of the organisation's strategy and policy direction.

The members of the Group Executive Committe as at 31 December 2023. For more information see page 282.

Jeremy Awori
Group Chief Executive Officer

Kenyan

Ayo Adepoju
Group Chief Financial Officer

Nigerian

Bolaji Lawal
Regional Executive and Managing Director, Ecobank Nigeria

Nigerian

Josephine Anan-Ankomah
Regional Executive, CESA and Managing Director, Ecobank Kenya

Ghanaian

Divine Fola
Group Chief Compliance Officer

Cameroonian

Chinedu Ikwudinma
Group Executive,
Chief Risk Officer

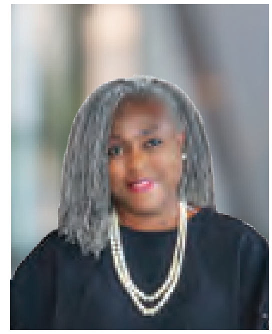
Nigerian

Mamat Jobe
Group Executive,
Internal Audit and
Management Services
(Acting)

Gambian

Daniel Sackey
Regional Executive, AWA
and Managing Director,
Ecobank Ghana

Ghanaian



Nana Araba Abban
Group Executive,
Consumer Banking

Ghanaian

Eric Jones Odhiambo
Group Executive,
Corporate and
Investment Banking

Kenyan

Paul-Harry Aithnard
Regional Executive, UEMOA
and Managing Director,
Ecobank Côte d'Ivoire

Togolese

Carol Oyedeji
Group Executive,
Commercial Banking
(Acting)

Nigerian

Tomisin Fashina
Group Executive,
Operations and Technology

Nigerian

Madibinet Cisse
Group General Counsel
and Company Secretary

Guinean

Yves Mayilamene
Group Executive,
Human Resources

Congolese

Corporate Governance

Introduction

At Ecobank, Corporate Governance structures are designed to promote fairness and responsibility, in addition to making the institution more transparent and accountable to all stakeholders, thereby increasing its long-term value while ensuring its potential growth. These structures define appropriate arrangements to facilitate and enable the execution of the overall Group vision and the objectives of Ecobank, to be a world-class pan-African banking group.

Ecobank was founded on the spirit of regional co-operation and the economic integration of African countries. It acknowledges the critical nature of its relationships with all the regulatory bodies across its footprint in executing its vision and discharging its responsibilities to its customers, lenders, shareholders and the communities within which it operates. It seeks to implement the highest standards and best practices in corporate governance, in accordance with the most widely accepted codes, including those in the markets in which its shares are listed.

This is consistent with Ecobank's belief that good corporate governance leads to sustainable business and good financial performance which, ultimately, delivers appropriate returns for shareholders.

Corporate governance principles

The Corporate Governance structure of Ecobank is founded on the following principles:

Ultimate corporate power belongs to the shareholders. The rights of shareholders shall be respected, and steps shall be taken to facilitate the effective exercise of those rights.

The shareholders delegate their authority to the Board. The Board then delegates the day-to-day operations of the Company to the executive management. The scope of the authority of each organ is clearly defined and agreed. There are clear and published terms of reference and accountability for committees at Board and executive levels.

The Board should be structured in a manner that enables it to add value to the Company and shareholders through the composition, size and commitment of its members.

Ecobank raises funds from institutional investors and the capital markets and undertakes to repay such funds on the due contractual date. It provides lending to its clients and also provides them with convenient, accessible and reliable services.

Ecobank subscribes to working with and adhering to the requirements of the various regulators that regulate and supervise Ecobank Transnational Incorporated (ETI) and its banking subsidiaries.

Decision-making should be ethical and responsible in compliance with relevant laws and host countries' internal policies and should be taken in a manner to ensure accountability. Decisions will be objective and timely and always aimed at satisfying stakeholders (shareholders, customers, Ecobank employees, regulators and the public at large), thus fulfilling ETI's mission.

Decision-making should be at the appropriate level as close as possible to the required action and the customers, as set out in delegated schedules of authority that provide the appropriate checks and balances necessary for a pan-African banking group.

There should be independent verification of the financial report and accounts of member companies in order to safeguard integrity in financial reporting.

Enterprise Risk Management should be recognised and entrenched through established policies, procedures and practices that are consistently applied across the Group.

There should be fair and active review of Company information to encourage Board effectiveness and management performance, as well as competitive and responsible remuneration in compliance with transparent rules.

The legitimate interests of stakeholders should be duly recognised.

Relevant authorities within the Group should be empowered and individual accountability institutionalised.

There should be effective communication and information sharing between management and the Board and among members of the Board outside of meetings.

There must be a clear escalation process to ensure that matters requiring the involvement and/or approval of the relevant organs within the Group are brought to their attention for review and decision, or simply for awareness.

Group structure – 'One Bank' concept

In order to ensure that it operates as a banking group and not as a group of banks, Ecobank, as much as possible, operates a standard organisational structure at parent company and subsidiary levels. As the parent company, ETI is responsible for the overall strategy and shall continue to act as the 'Strategic Architect' of the Group.

Group decisions and policies are made for the application of all members of the Group and are implemented in all subsidiaries, subject to local laws and regulations. Any variation is subject to the approval of the parent company.

The parent company, through its wholly owned subsidiary, manages technology centrally and deploys it in all affiliates. It also houses the shared services platforms for efficiency in operations and to leverage economies of scale.

All functions are coordinated from the parent company (Risk Management, Internal Control, International Audit, Legal, Treasury, etc.) with a Group Head/Executive at the parent company level. Functional managers in the subsidiaries have a functional reporting line to the Group Head/Executive at the parent company.

The Board holds two annual meetings with chairpersons of subsidiary Boards and Group functional heads, for the purpose of sharing information on the overall direction and major policy decisions of the Group.

Corporate literature

The Articles of Association of ETI, and those of its subsidiaries, provide a clear delineation and separation of the rights and responsibilities of the Board, executive management and shareholders, to ensure that there is non-interference of the Board in management functions and the full disclosure of information to shareholders.

Whilst the Board approves policies and Group-wide strategy, it is the duty of executive management to ensure the day-to-day implementation of policies and strategies adopted by the Board.

The Group Corporate Governance Charter sets out the structures and processes to be followed to build credibility and ensure transparency and accountability across the Group. It also defines appropriate policies and processes to enable the execution of Ecobank's overall vision. The Governance Charter is regularly updated to reflect the constantly evolving business environment.

The Charter is domesticated and applicable to all members of the Group, subject to local laws and regulations. All directors, executives and relevant employees of the Group are required to comply with the provisions of the Governance Charter.

Shareholders' recognition

The Annual General Meeting is a key forum for sharing information and decision-making and is intended to engender the active participation of shareholders. Ecobank shareholders' right to access information is an essential principle underpinning the Corporate Governance philosophy of the Group, which promotes the facilitation of meaningful dialogue.

The Board has always placed considerable importance on effective communication with its shareholders. It ensures that the rights of shareholders are always protected. Notice of meetings and all statutory notices and information are communicated to shareholders on time.

The Board is responsible for submitting complete and comprehensive financial and management information to the Annual General Meeting, to facilitate a balanced and fair exchange of views within the Company. It ensures that there is ongoing dialogue with shareholders and that information furnished to the Annual General Meeting is accurate and reliable.

Shareholders are encouraged to communicate their opinions and recommendations, whenever they feel the need to do so, to the Investor Relations Unit and/or the Company Secretary through the contact details available on Ecobank's Group website, www.ecobank.com.

Board responsibilities

The primary responsibility of the Board is to act in the best interests of the Group and to foster the long-term success of Ecobank, in accordance with its legal requirements and its responsibilities to shareholders, regulators and other stakeholders. The Board ensures that the necessary leadership, financial and human resources, are made available to the Group to enable it to achieve its objectives. The Board ensures that there are no conflicts or potential conflicts of interest between executive management, members of the Board and shareholders. The Board also ensures that the reporting lines of key control functions, such as Internal Audit, Compliance and Risk Management, are independent and structured in a manner that ensures the effectiveness of checks and balances.

The Board reports to shareholders annually on the integrity and timely disclosure of the business and financial performance of Ecobank, through the Group's consolidated annual report and accounts, including other substantive financial and non-financial information, about which shareholders and potential investors should be informed. The Board is responsible for assessing the ability of the Group to meet its obligations and is accountable to its shareholders.

The Board encourages active dialogue with shareholders and potential investors, based on a mutual understanding of objectives and expectations.

Appointment of Board of Directors

The nomination and appointment process of a Director to the Board is clearly defined in the Governance Charter.

The Charter provides for the Governance, Nomination, Remuneration and Ethics Committee, which is responsible for the selection of members of the Board of Directors.

Prior to any appointment, the Governance, Nomination, Remuneration and Ethics Committee defines the functions and core competencies for each vacant directorship role. It also develops suitable selection criteria for potential candidates, screens and interviews them. The committee then puts the short-listed candidate forward for consideration by the Board. Upon consideration of the Board, successful candidates are presented to the Annual General Meeting for appointment or the ratification of their appointments. New Directors are issued with letters of appointment, with clear terms and conditions regarding the discharge of their duties.

The competencies outlined below are considered in the selection of Non-Executive Directors to the Board.

Demonstrable business acumen

Directors must have considerable business experience, together with proven understanding of corporate and business processes, which have been accomplished through a successful track record and must have an impeccable reputation in the business community.

Leadership and Board experience

A recognised ability to add value and display leadership, together with the ability to assert balanced and constructive views at Board level.

Special technical skills or expertise

Have experience in international banking best practice, with specific expertise in the African banking sector. This encompasses commercial banking, retail banking, investment banking, treasury, capital markets and fund raising, asset management, central banking, rating agencies, IT/digital banking, accounting, and auditing, regulation and risk management, succession planning, executive compensation, government relations and political intelligence, international insurance, law and taxation, investor relations and international trade, especially relating to commodities. The combined experience of the Directors of the Board is expected to exhibit these competencies.

Integrity

Directors should demonstrate high levels of integrity, professional and personal ethics, as well as values consistent with those of the Ecobank Group.

Character

Directors should exhibit strength of character and the ability and willingness to challenge and probe. This includes sound business judgement, strong interpersonal skills, and the ability to listen carefully and communicate with clarity and objectivity.

Time commitment

Directors need to be able to dedicate sufficient time to adequately carry out their duties.

The Articles of Association of the Company limit the tenure of Non-Executive Directors to nine (9) years. Directors are appointed for an initial mandate of three (3) years, which may be renewed.

However, renewal is not automatic. Directors are required to be evaluated periodically. The outcome of the evaluation and the competency requirements of the Board, as well as the Directors' contributions and input, are considered in assessing the potential renewal of appointments.

In addition to statutory provisions, there are clear guidelines for the dismissal of a Director. A Director may be dismissed for breach of his/her fiduciary duties and/or underperformance under the terms of his/her letter of appointment or other corporate documents.

Furthermore, the Board may recommend the replacement of the nominee or representative of an institutional shareholder, where he or she does not possess the requisite competencies required by the Board, or where his or her performance is found to be unsatisfactory.

Board composition and structure

The Articles of Association of the Company limit the size of the Board to fifteen (15) members. The Board composition is representative of shareholders' interest.

The Governance Charter stipulates that the Board shall comprise:

- Nominees of any shareholder for each ten percent (10%) of the total issued ordinary share capital of ETI, or multiple thereof, that such a shareholder may hold directly, subject to a maximum of two (2) seats per shareholder.
- One (1) representative of Ecowas Bank for Investment and Development (EBID).

- Not more than two (2) Executive Directors, including the CEO, a minimum of five (5) independent Directors, including Directors selected from the geographical regions where the Group operates; and the requisite number of additional independent Directors that are required to fill the remaining seats.

The composition of the Board considers, as much as practicably possible, the geographical coverage of the Group, relevant professional experience, shareholders' representation and gender equality.

Board attendance in 2023

The Board of Directors met seven (7) times during 2023.

#	Name	Role	Year appointed to Board	Meetings eligible to attend	Number of meetings attended
1.	Mr. Alain Nkontchou	Chairman	2015	7	7
2.	Mr. Ade Ayeyemi*	Chief Executive Officer	2015	1	1
3.	Mr. Jeremy Awori**	Chief Executive Officer	2023	6	6
4.	Mrs. Aichatou Agne Pouye	Non-Executive/Independent	2018	7	7
5.	Mr. Hervé Assah	Non-Executive/Independent	2020	7	7
6.	Dr. George Donkor (BIDC)	Non-Executive	2020	7	6
7.	Mr. Simon Dornoo	Non-Executive/Independent	2020	7	7
8.	Mr. Brian Kennedy (Nedbank Group Ltd)	Non-Executive	2017	7	7
9.	Mr. Deepak Malik (ARISE B.V.)	Non-Executive	2019	7	7
10.	Ms. Zanele Monnakgotla (Government Employees Pension Fund/PIC)	Non-Executive	2020	7	7
11.	Dr. Catherine Ngahu	Non-Executive/Independent	2016	7	7
12.	Mr. Mfundo Nkuhlu (Nedbank Group Ltd)	Non-Executive	2015	7	6
13.	Prof. Enase Okonedo	Non-Executive/Independent	2020	7	7
14.	Mr. David O'Sullivan (Qatar National Bank)	Non-Executive	2017	7	6
15.	Dr. Aasim Qureshi (Qatar National Bank)	Non-Executive	2019	7	7

* Mr. Ade Ayeyemi attended only one meeting in 2023 after which he retired from the company.
** Mr, Jeremy Awori joined the board in March from the second meeting of the year.

Board Committees

As of 31 December 2023, there were four (4) Board Committees, namely:

Audit, Internal Control and Compliance Committee
Finance, Risk and Credit Committee
Governance, Nomination, Remuneration and Ethics Committee
Information Technology, Social and Reputation Committee

The charters of the various Board Committees have been established in accordance with best practice and the rules applicable to the Company. The membership of the Board Committees excludes Executive Directors. Also, for the purposes of revitalising the Board Committees, the tenure of members is restricted to a maximum of two (2), three (3)-year terms, which may be extended, if it is considered appropriate.

Each committee has a majority of independent Directors and is chaired by an independent Director.

Board Committees' membership

Governance, Nomination, Remuneration and Ethics Committee

The Governance, Nomination, Remuneration and Ethics Committee met nine (9) times during the year to deliberate on issues under their respective responsibilities.

Composition and attendance:

Name	Role	Number of meetings held	Number of meetings attended
Prof. Enase Okonedo	Chairperson	9	9
Mr. Hervé Assah	Member	9	9
Mr. Brian Kennedy*	Member	5	5
Mr. Deepak Malik	Member	9	9
Dr. Catherine Ngahu	Member	9	9
Mr. Mfundo Nkuhlu*	Member	4	2

* Mr Brian Kennedy left the Committee after attending five meetings and was replaced by Mr. Mfundo Nkuhlu.

The Group General Counsel and Company Secretary or his designate serves as Secretary to the Committee.

Responsibilities of the Governance, Nomination, Remuneration and Ethics Committee:

- Formulates, reviews and ensures implementation of policies applicable to all units of the Group, as well as good governance throughout the Group.
- Manages the relationship between the Company and its shareholders and subsidiaries, including relationships with the Boards of subsidiaries.
- Evaluates the performance of Directors and senior management.
- Develops suitable criteria for the selection and appointment of new Board members and for the selection, appointment or removal of the Group and Country Board members.
- Reviews the human resources strategy and policies of the Group.
- Determines the policy for the remuneration (including benefits, pension arrangements and termination payments) of Non-Executive Directors, the Chairman of the Board, the Chief Executive Officer, the Executive Directors, and the senior executives of ETI.
- Oversees the Group's approach to diversity and inclusion, employee wellbeing, bullying and harassment, and employee engagement.
- Oversees the way the Group manages its culture, values and adherence to the Group's Code of Conduct.
- Oversees compliance with Group's policies on ethical conduct including discovery, investigation, conflicts of interest, financial crimes, transparent accounting, fraud and bribery and responsible selling and marketing.

During the year ended 31 December 2023, the Committee exercised its oversight functions over the nomination process of Non-Executive directors and Chairpersons of ETI subsidiaries.

The Committee reviewed the replacement process of retiring Group executives in the organisation including the CEO.

The Committee also oversaw the amendment of Human Resources policies, the staff loan policies and the remuneration survey for Non-Executive Directors across the Group.

Audit, Internal Control and Compliance Committee

The Audit, Internal Control and Compliance Committee met four (4) times to deliberate on issues under their respective responsibilities.

Composition and attendance:

Name	Role	Number of meetings held	Number of meetings attended
Mrs. Aïchatou Agne Pouye	Chairperson	4	4
Mr. Simon Dornoo	Member	4	4
Mr. David O'Sullivan	Member	4	4

All members have relevant business knowledge and skills and familiarity with accounting practices and concepts.

The Group Executive, Internal Audit and Management Services serves as Secretary to the Committee.

Responsibilities of the Audit, Internal Control and Compliance Committee:

- Reviews internal controls, including financial and business controls.
- Reviews internal audit function and audit activities.
- Facilitates dialogue between the auditors and management regarding the outcomes of audit reviews.
- Makes proposals regarding external auditors and their remuneration.
- Works with external auditors to review the annual financial statements before full Board approval.
- Ensures compliance with all applicable laws, regulations, and operating standards.

During the 2023 financial year, the committee reviewed and recommended for approval the Group Recovery plan, the Revised Group Internal Audit & Management Services Charter, the 2024-2026 risk-based Internal Audit & Management Services Plan, the revised Ecobank Securities Dealing Policy, the Revised Ecobank Group Compliance Charter, and the Group Compliance Monitoring Plan 2024.

Finance, Risk and Credit Committee

The Finance, Risk and Credit Committee met seven (7) times to deliberate on issues under their respective responsibilities.

Composition and attendance:

Name	Role	Number of meetings held	Number of meetings attended
Mr. Simon Dornoo	Chairman	7	7
Mr. Mfundo Nkuhlu*	Member	4	4
Mr. Aasim Qureshi	Member	7	5
Prof. Enase Okonedo	Member	7	7
Mr. Hervé Assah	Member	7	7
Mr. Brian Kennedy*	Member	3	3

*Mr. Mfundo Nkuhlu left the Committee after attending four meetings and was replaced by Mr. Brian Kennedy.

All members have a good knowledge of business, finance, banking, general management and credit.

The Group Chief Risk Officer and the Chief Financial Officer serve as joint Secretaries to the Committee.

Responsibilities of the Finance, Risk and Credit Committee:

- Initiates the determination and definition of policies and procedures for the approval of credit, operational, market/price and other risks within the Group; defining acceptable risks and risk acceptance criteria.
- Sets and reviews credit approval limits for management.
- Reviews and ratifies operational and credit policy changes initiated by management.
- Ensures compliance with the Bank's credit policies and statutory requirements prescribed by the regulatory or supervisory authorities.
- Reviews periodic credit portfolio reports and assesses portfolio performance.
- Reviews all other risks (e.g. technology, market, insurance, reputation and regulatory).
- Oversight of finance strategies, capital and liquidity.
- Reviewing the Company and Group's financial performance.
- Reviewing compliance with applicable financial regulatory requirements.
- Reviewing certain corporate development matters as the Board may direct.

During the 2023 financial year, the committee reviewed and recommended for approval the revised Group Credit Policy & Procedure Manual, the 2023 Enterprise Risk Map, of ETI Debt Limit Policy, the Market & Liquidity Risk Policy, the Group Risk Management Framework, Risk Limits and the Group Internal Capital Adequacy Assessment Process among others.

Information Technology, Social and Reputation Committee

The Information Technology, Social and Reputation Committee met four (4) times to deliberate on issues under their respective responsibilities.

Composition and attendance:

Name	Role	Number of meetings held	Number of meetings attended
Dr. Catherine Ngahu	Chairperson	4	4
Mrs. Aichatou Agne Pouye	Member	4	4
Dr. George Donkor	Member	4	4
Ms. Zanele Monnakgotla	Member	4	4

The Group Chief Technology Officer is the Secretary to the Committee.

Responsibilities of the Information Technology Social and Reputation Committee:

- Alignment of the Group's information technology systems with overall Group strategy and direction.
- Oversee the maintenance of adequate information technology systems to support the Group's business.
- Approve and monitor strategic IT development programmes and projects.
- Monitor and evaluate existing and future trends in technology that may affect the Group's strategic plans, including monitoring of overall industry trends.
- Ensure Group compliance to IT policies and processes.
- Review from time to time the overall IT development profile of the Group and ensure that the IT strategy is inclusive and coordinated and appropriately resourced to encompass all requirements of affiliates in the Group.
- Overseeing and reviewing the positioning of the Ecobank brand to ensure that a clear strategy is being delivered to increase the value of the brand, as well as the Group's standing, reputation and legitimacy in the eyes of all stakeholders.
- Reviewing the processes by which Ecobank identifies and manages reputational risk in an effective and transparent manner, consistent with the Board-approved Group Risk Appetite Statement.
- Ensuring Ecobank's adherence to statements regarding activities/businesses in which it will/will not be involved, in line with its brand promise.
- Reviewing Ecobank's sustainable business priorities, assuring that the Group has policies in place to respond to any issues arising from external factors.

In 2023, the Committee supervised the optimisation of technology assets, the collaboration of Ecobank with fintechs, the digitalisation drive and the modernisation of system architecture, as well as several Sustainability and Environmental, Social and Governance initiatives.

Subsidiary Boards

The subsidiaries operate as separate legal entities in their respective countries. Each subsidiary has a Board of Directors that has oversight functions over the management of the subsidiary.

ETI is the majority shareholder in all the subsidiaries, however, host country citizens and institutions invest in the local subsidiaries. Each subsidiary has a Board of Directors, the majority of whom are Non-Executive Directors. The Group Governance Charter requires that country Boards be guided by the same governance principles as the parent company. The Boards of Directors of the subsidiaries are accountable to the subsidiaries' shareholders for the proper and effective administration of the subsidiaries in line with overall Group direction and strategy. These Boards also have statutory obligations based on company and banking laws in their respective countries. In the event of any conflict with Group policies, the local laws prevail.

Subsidiary governance model

With regards to the governance of its subsidiaries, the Group adopts a dual reporting model. The subsidiary's corporate governance is administered both by the local Board and the Group Board concurrently. Legally, the country Board has ultimate responsibility for the subsidiary, but ETI as the majority shareholder (in some cases holding 100%) and as the 'Strategic Architect', has a duty to ensure that the subsidiary is run properly. As a result, the subsidiary Managing Director has dual reporting lines to the local Board and to ETI's executive management.

The local Board has access to the ETI governance and management structure. The local Boards are legally constituted, and Directors' duties comply with the host country's legal system.

The subsidiaries have adopted the provisions of the Group Corporate Governance Charter, subject to local legal requirements.

Candidates for directorship positions in the subsidiaries are shortlisted by Directors of the subsidiary and ETI Directors, or other credible persons. The proposed candidates are then screened by the subsidiary Board in consultation with ETI.

Thereafter, the candidates go through the formal internal Board processes of the subsidiary, including Board and regulatory/shareholder approvals, as appropriate.

Executive share options

In 2023, no new ETI executive share options were awarded to executives under the staff options scheme.

Related party securities trading policy

The Group has a code of practice for insider dealing in Ecobank securities that requires them to seek the approval of the Group Chief Compliance Officer, prior to the purchase or disposal of shares of the parent company, or the Chief Compliance Officer of a subsidiary of the Group prior to the purchase or disposal of the shares of any subsidiary of the Ecobank Group.

The policy makes it mandatory for such insider to disclose the nature of the securities, the amount to be invested and the nature of the transaction and their interest. The member of staff undertakes to ensure that the transaction is not in connection with the possession of any inside information, and further undertakes not to proceed with the transaction should he/she come into possession of any inside information, prior to the execution of the transaction. During the year, transactions executed by insiders were disclosed in line with applicable regulations.

Independence of Directors

The Governance Charter has an independence evaluation policy and a definition of an 'Independent Director'.

At least a third of the Board's members are expected to be independent Directors. Generally, a director will be considered independent if he or she satisfies all the criteria set out in the Governance Charter.

A Director may, however, still be considered independent even though he/she does not satisfy one or more of the criteria, but only if the Board determines that not having such criteria will not impair his/her independence. The independence of the Directors is assessed annually.

Although not all the Non-Executive Directors need to meet the 'Independent Director' definition, all should be capable of exercising independent judgement and decision-making.

As at the end of December 2023, there were fourteen (14) Directors on the Board, including five (5) independent Directors, namely Mr. Hervé Assah, Mr. Simon Dornoo, Dr. Catherine Ngahu, Prof. Enase Okonedo and Mrs. Aichatou Agne Pouye.

Board and Directors' performance

The Board takes several steps to ensure that Directors discharge their duties with the requisite competence and skills. Firstly, prior to an appointment, the Governance, Nomination, Remuneration and Ethics Committee is required to carry out a competency assessment of potential candidates to ensure that they meet the necessary criteria.

The Governance Charter sets minimum competency requirements for each Director that must be met.

Additionally, Directors receive appropriate induction and are expected to undertake ongoing professional development to meet the ever-changing demands of their roles.

Directors' training

All Directors are expected to avail themselves of appropriate training courses, where necessary and at the earliest opportunity, to fulfil their competency requirements.

In 2023, Directors were trained on Digital Transformation in Banking.

Board evaluation

A Board, Committees and Director evaluation was done in 2023 with the assistance of an independent consulting firm. The report indicated that the Board was effective in managing the current business of the company, with strengths in its execution of the roles and duties of its members, and in its organisation. It also revealed there were opportunities to combine these strengths with an approach focused on managing the future and the sustainability of the business.

The report identified certain areas of focus which could enhance the impact of the Board, such as improving the overall organisational performance and realising shareholder and investor returns to achieve growth, and dealing more decisively with recent high-risk issues, such as in Ghana and Nigeria.

The evaluation also covered the four committees of the Board as well as the individual performance of each director and feedback was shared with each director. Overall, the committees were viewed as effective. It was also noted that in certain committees, the process for gathering relevant data for ease of decision-making could be improved.

Conflict of interest and related party policies

Conflict of Interest Policy and associated procedures, covering all staff and Directors, are in place. Directors are required to complete standard forms each semester to confirm that no conflict of interest exists. No conflict of interest was identified in the discharge of the duties of the Directors.

The review of related party loans is conducted on a monthly basis and reported to the Board by the Finance, Risk and Credit Committee.

Assurance monitoring

The Internal Control and Internal Audit Charters provide the framework for the two functions, and these are being reviewed periodically as the need arises.

Whistleblowing policy

Ecobank has implemented a Whistleblowing Policy and put in place a whistleblowing portal. The portal is a user-friendly system that generates reports and forwards them directly to the Group Head Compliance, who is responsible for carrying out the necessary investigation. Issues may be reported online, using a designated website, following the steps laid out in Ecobank's Whistleblowing Policy.

Ecobank's whistleblowing portal fully guarantees the confidentiality of information exchanged via the portal. A third-party provider that specialises in providing whistleblowing services operates the portal and is independent of Ecobank's in-house IT systems. This provides a secure environment for staff to report complaints or unprofessional behaviour. Members of staff reporting issues can do so anonymously.

Staff can report, without limitation, on issues such as: theft, fraud, bribery or other forms of dishonesty; harassment or discrimination; accounting or financial irregularities; on-the-job drug or alcohol abuse; violence or threatening behaviour; and violation of laws, regulations, policies or procedures.

Procedures for the independent investigation of allegations by whistle blowers and appropriate follow-up actions have been put in place. Cases are managed by the Compliance Unit and investigated by the Internal Audit Unit. The Board is informed of the cases and the progress made towards their resolution.

Directors' remuneration

The remuneration policy for Executive and Non-Executive Directors is embedded in the Group Corporate Governance Charter. Recognition is given to the new onerous Corporate Governance regulations that exist in many jurisdictions, which hold Board members individually and collectively responsible for the actions of the Board. Adequate compensation is given to attract and retain professional and experienced individuals to carry out these duties.

The remuneration policy for Non-Executive Directors is not intended to reward meeting attendance via per diem payments. Rather, it reflects the responsibility, dedication and challenges inherent in the position. Efforts are made to ensure that the remuneration of the Directors continues to match the level in comparable organisations, whilst also taking into consideration Board members' required competencies and effort, together with the scope of the Board work, including the number of meetings attended.

External consultants undertake periodic remuneration benchmarking surveys. Once these surveys are concluded, the Board reviews the findings, and if required, submits resolutions for the review of Directors' remuneration to the Annual General Meeting of the Company for approval.

Non-Executive Directors receive fixed fees for being on the Board of ETI. In addition, Directors receive attendance fees for Board and Board Committee meetings. Non-Executive Directors receive neither short-term nor long-term performance incentives.

The table below details the single total figure of remuneration per Non-Executive Director for the year ended 31 December 2023.

Name	Director's Fees (US$)	Sitting Allowance (US$)	Other Benefits (US$)*	Total (US$)
Mr. Alain Nkontchou	150,000	11,000	15,000	176,000
Mr. Hervé Assah	100,000	21,720	15,000	136,720
Dr. George Donkor	100,000	10,500	15,000	125,500
Mr. Simon Dornoo	100,000	16,500	15,000	131,500
Mr. Brian Kennedy (Nedbank Group Limited)	100,000	14,250	15,000	129,250
Mr. Deepak Malik (Arise B.V.)	100,000	15,750	15,000	130,750
Ms. Zanele Monnakgotla (GEPF/PIC)	100,000	11,250	15,000	126,250
Dr. Catherine Ngahu	100,000	18,750	15,000	133,750
Mr. Mfundo Clement Nkuhlu (Nedbank Group Limited)	100,000	11,250	15,000	126,250
Prof. Enase Okonedo	100,000	20,250	15,000	135,250
Mr. David O'Sullivan (Qatar National Bank)	100,000	10,500	15,000	125,500
Mrs. Aichatou Agne Pouye	100,000	14,250	15,000	129,250
Dr. Aasim Qureshi (Qatar National Bank)	100,000	12,000	15,000	127,000
Total	1,350,000	187,970	195,000	1,732,970

* US$15,000 is the cash equivalent for two first class air tickets.

In addition to the costs above, the Company reimburses, or pays for, all expenses reasonably incurred by the Non-Executive Directors including travel, accommodation and telephone calls, in carrying out their duties.

Executive management remuneration

Executive management remuneration is made up of both fixed and variable pay. In determining the fixed remuneration, consideration is given to the complexity of the role, as well as the skills and experience of the individual. The purpose of fixed remuneration is to attract and retain talent by remaining competitive in the market, while rewarding ongoing contribution. Any salary increases are influenced by performance, based on pre-agreed metrics.

Variable remuneration is aimed at rewarding the executive management for the achievement of annual financial and non-financial objectives, which are key to the delivery of the Company's short-term and long-term strategy. Long-term variable remuneration aims to incentivise and reward the creation of long-term shareholder value.

Consistent with Ecobank's objective of being an employer of choice in our markets and to attract the best talent, senior executives are compensated with a combination of fixed compensation (salary, benefits and pension) and variable compensation (bonuses). The total remuneration paid to all senior executives during the 2023 financial year amounted to US$10.7 million.

Code of conduct

There is a Code of Conduct for Directors of the Ecobank Group. It requires a director, whilst acting in the best interest of the Group as a whole, to take account of the interests of the Group's shareholders, employees and creditors, and, where appointed as a representative of a special class of shareholders, employees or creditors, to give special, but not exclusive, consideration to the interests of that class.

The Code prohibits a director, without the consent of the Board, from placing himself/herself in a position such that his/her personal interest conflicts, or could be seen to conflict, with his/her duties to the Group.

It also prohibits a director from entering into any contract on behalf of the Group, or any of its subsidiaries or affiliates, in which he/she, or any Director of the Group or any associated company, may have material interests, whether directly or indirectly unless a Board resolution has been passed to approve the contract. There were no breaches of the Directors' Code of Conduct in 2023.

Dispute resolution policy

A Dispute Resolution policy is embedded in the Corporate Governance Charter. It sets out the Board's procedures for resolving disputes between Board members. It always applies to all Board members in the performance of their duties.

The Governance, Nomination, Remuneration and Ethics Committee is the resolution body for disputes within Ecobank's Board. The Committee recommends a course of action for the consideration by the full Board, if necessary.

Where the dispute involves a member or members of the Governance, Nomination, Remuneration and Ethics Committee, the Chairman of the Governance, Nomination, Remuneration and Ethics Committee designates impartial Board members to intervene on behalf of the full Board.

Parties involved in the dispute are expected to acknowledge the dispute respectfully, listen objectively to the issues raised and consider the opinions of others. The Chairman of the Governance, Nomination, Remuneration and Ethics Committee ensures that the dispute is discussed openly and that questions are asked of all the parties involved to formulate remedial action. No such disputes arose between Board members in 2023.

Governance structures within the Ecobank Group

The Ecobank Group Corporate Governance Charter clarifies governance structures throughout the Group.

The Charter essentially covers:

- the role of the parent company;
- the relationships and interfaces between the parent company and its subsidiaries;
- the standard of conduct and procedures for Directors;
- the governance units within the Group such as the Parent Company (ETI) Board of Directors; Country Board of Directors, the Group Executive Committee; the Business Leaders' Conference; and the Country Executive Management Committees.

There follows a brief overview of the role and responsibilities of each of the governance units of the Parent Company.

Parent Company Board of Directors

The Board of Directors of ETI is elected by, and is accountable to, shareholders for the appropriate and effective administration of the Ecobank Group. Their primary responsibility is to foster the long-term success of the Company, consistent with its fiduciary responsibilities.

Comprehensive profiles of all the Directors can be found on pages 54 to 62 of this annual report.

Group Executive Committee

As of 31 December 2023, the Group Executive Committee (GEC) comprised the following:

- Group Chief Executive Officer
- Group Executive, Commercial Banking
- Group Executive, Consumer Banking
- Group Executive, Corporate and Investment Banking
- Regional Executive, Anglophone West Africa
- Regional Executive, Central, Eastern and Southern Africa
- Regional Executive, Nigeria
- Regional Executive, Union Monétaire Ouest Africaine
- Group Chief Financial Officer
- Group Chief Risk Officer
- Group Executive, Internal Audit and Management Services
- Group Executive, Human Resources
- Group Executive, Operations and Technology
- Group General Counsel/Company Secretary
- Group Head, Compliance

Business Leaders Conference

The Business Leaders Conference is a collegial meeting of all subsidiaries' Managing Directors and Group Functional Heads for reviewing and embedding Group strategy and policies.

The Business Leaders' Conference is the primary coordinating body for Group cohesion and integration and the actualisation of Group strategy.

The Conference is a consultative body – not a decision-making body.

The Conference plays a key role in facilitating the harmonisation and integration of Group strategy.
Its role includes:

- sharing and disseminating information, experiences and best practice across the Group.
- initiating policies that encourage integration and promote the "One Bank" concept.
- promoting integration and standardization of Group policies and procedures.
- promoting and monitoring compliance with Group operational standards.
- contributing to the formulation of Group policies.


COMMERCIAL BANKING
Ecobank
The Pan African Bank
WE ARE AFRICA'S BEST BANK FOR SMES 2023
Euromoney Excellence Awards 2023
We are proud to have been named Africa's Best Bank for SMEs by the Euromoney Awards for Excellence 2023.
The unwavering support of our SME customers, partners and staff members helps us to deliver pioneering financial solutions.
We will continue to deliver excellent Customer Experience as the Bank of Choice for African SMEs.
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Sustainability Report

Letter from Our Group Chief Risk Officer

Dear Stakeholders,

2023 was yet another year of significant challenges globally, for the countries we operate in and the communities we serve. Rising geopolitical tensions, such as the ongoing war in Ukraine and fresh conflict in the Middle East, impacted economies in our markets through higher food and fuel prices, and headline inflation. On the continent, political instability, contested national elections and military coups added fuel to an already challenging situation. I am proud that even amid this complex and dangerous landscape, we continued to serve our customers and communities, remained confident in our risk management approach and acumen, and increased our commitment to sustainability.

We believe there is a tremendous opportunity in sustainability. To reach net zero emission by 2050, clean energy investment worldwide will need to reach $5 trillion annually. Africa requires an estimated $2.8 trillion between 2020-2030 to implement its Nationally Determined Contributions under the Paris Agreement. The investment required comes with a substantial cost of capital, which may be too high for some companies or projects to withstand. Ecobank is committed to help reduce the cost of these ventures through savvy risk management and strategic partnerships. We have made sure that our governance structure integrates sustainability into our strategy and decision-making at the highest levels, and underpinned this with the effective processes and policies needed to make sustainability part of our day-to-day operations.

As we learn from our partners, customers and communities, we continue to refine our sustainability strategy and broaden our range of sustainable finance products. Our green and sustainability loan portfolio has financed an increasingly diverse range of projects, from solar power plants in remote villages to climate-smart agricultural initiatives. These projects have demonstrably reduced reliance on fossil fuels, improved energy efficiency and promoted sustainable agricultural practices.

The report you are reading is part of our commitment to sustainability, as we understand the importance of transparency and providing consistent information to stakeholders on our plans and progress. We will continue to enhance our reporting in the years ahead. In particular, the sustainability linked loan we signed in December 2023 commits us to produce a climate disclosure report, including our exposure through our loan portfolio to carbon-intensive sectors and physical climate risks. We are also developing a climate strategy, which will determine how we decarbonise our own operations and reduce the emissions our clients generate from the projects we finance for them. This work will also help us to refine our approach to net zero and set firm targets for achieving it.

These climate goals are ambitious and have the potential to create millions of new jobs, lift economic growth and improve access to electricity and clean energy. We will continue to foster dialogue between governments, communities, regulators, investors, and other stakeholders across the markets we operate in. The transition to a low-carbon economy will require the support of all, and I would like to thank our partners, the Group's employees and our Board of Directors for their vital contributions to our sustainability journey. With their continued support, we will continue to drive positive change and achieve our climate aspirations.

As the bank with the largest geographical footprint on the continent, we have significant influence. Our sustainability strategy reflects our responsibility to use this influence to drive sustainable development.

Chinedu Ikwudinma
Group Executive, Group Chief Risk Officer

Ecobank Group's 2023 Sustainability Report

In our 2023 Sustainability Report, Ecobank proudly presents our commitment to fostering sustainable development and prosperity across Africa under the theme "Nurturing Abundance in Africa." As a leading pan-African bank, we recognise the immense potential of the continent and understand the critical role we play in driving inclusive, resilient, and environmentally responsible growth. Through strategic sustainability initiatives, collaborative partnerships, and innovative financing solutions, Ecobank continues to pave the way for a more sustainable future for Africa.

We invite you to explore the 2023 standalone sustainability report on the Ecobank website at ecobank.com/group/sustainability.

Our ESG ratings

Ecobank is dedicated to sustainability. Every year, leading independent research and rating agencies assess our performance in these areas. These evaluations are crucial as they provide a standardised measure of how well we adhere to environmental, social, and governance (ESG) practices. These ratings have gained significant importance among investors, companies and other stakeholders, as they provide insightful and standardised measures of ESG performance, covering key areas such as environmental impact, social responsibility and governance practices. They help us to identify and mitigate risks, enhance our reputation, comply with regulatory requirements and engage stakeholders in conversations about sustainability.

Importance of ESG Ratings

ESG ratings have become a pivotal tool for investors, companies, and other stakeholders, providing a standardised, insightful measure of a company's adherence to sustainability practices. These ratings cover critical areas such as environmental impact, social responsibility, and governance practices. By providing a transparent view of our ESG performance, these ratings help us:

- **Identify and Mitigate Risks:** Understanding potential vulnerabilities in environmental, social, and governance aspects allows us to implement strategies to address these risks effectively.
- **Enhance Reputation:** A strong ESG rating reinforces our standing as a leader in corporate responsibility, making us a preferred choice for customers and partners who value sustainability.

- **Comply with Regulatory Requirements:** Many regions are increasingly incorporating ESG criteria into their regulatory frameworks. High ratings ensure compliance and can sometimes provide a competitive advantage under regulatory regimes that favour high ESG performers.
- Engage Stakeholders: These ratings facilitate open conversations with stakeholders about our sustainability initiatives and progress, fostering a collaborative approach to improving our ESG impacts.

Continuous Improvement and Collaboration

As ESG rating methodologies evolve, Ecobank remains proactive in engaging with rating agencies. This collaboration ensures that our sustainability efforts are accurately represented and that we continuously improve in line with global best practices. Our commitment to these efforts is reflected in our consistently strong ratings from several prestigious agencies. Below are some of our sustainability ratings:

- **Sustainalytics:** Awards us with a Medium risk rating, acknowledging our robust risk management practices and moderate exposure to ESG-related incidents.
- **S&P Global Ratings:** We received an ESG Relevance Score of 4, indicating that our ESG efforts are seen as necessary to our overall creditworthiness and have a substantive influence on our financial stability.
- **MSCI:** Our 'A' ESG rating from MSCI demonstrates our excellence in managing the most significant industry-specific ESG risks and opportunities.
- **Moody's:** With an ESG Rating of E-3, S-3, G-3, Moody's recognises our balanced approach across all three ESG dimensions, underscoring our comprehensive strategies and policies.

Looking Ahead

As we continue to advance our ESG initiatives, our focus remains on not just maintaining but enhancing our ratings through strategic initiatives and transparent reporting. These ratings serve as a testament to our commitment and progress in integrating sustainability deeply into our operational and strategic frameworks. We are dedicated to upholding these standards and pushing the boundaries of what we can achieve in corporate sustainability.

Collaboration, Partnerships and Advocacy for Sustainable Development

Ecobank recognises the importance of engaging a diverse range of partners to address sustainability challenges effectively. This recognition guided our participation in key forums such as COP28 and the African Business Leaders Coalition (ABLC) discussions.

Mr. Awori and Mr. Sackey at the Ghana Pavilion

Mr Awori and Mr Sackey with Joseph Siaw Agyapong, the CEO of Jospong Group of Companies and is also the founder of Zoomlion Ghana Limited.

Conference of the Parties (COP 28)

COP28, held in December 2023, was a pivotal conference in the global climate agenda, reflecting urgent and escalating concerns about climate change and its impacts worldwide. The conference was particularly significant as it marked the first Global Stocktake of the Paris Agreement, a comprehensive assessment of collective progress towards the agreement's goals and an opportunity to set more ambitious targets.

Key Highlights of COP28:

Global Stocktake: This was the centrepiece of COP28, focusing on evaluating the progress made by countries in reducing greenhouse gas emissions and adapting to climate impacts. The stocktake aimed to inform more effective climate policies and increase accountability among nations.

Focus on Implementation: COP28 emphasised moving from planning and commitment to the implementation of climate action. There was a concerted effort to translate national commitments into real-world actions, with a particular focus on scaling up renewable energy, enhancing energy efficiency, and reducing dependency on fossil fuels.

Finance: Financial commitments were a critical agenda item, with developed countries being urged to fulfil their pledge of mobilizing $100 billion annually to support climate action in developing countries. Discussions also covered the operationalisation of the new funding mechanisms for loss and damage, specifically aimed at supporting those most vulnerable to the effects of climate change.

Inclusion of Diverse Stakeholders: The conference saw an increased inclusion of non-state actors, including businesses, NGOs, and indigenous communities, recognizing that wide-ranging partnerships are essential for comprehensive climate action. This inclusion aligns with the need for collaborative strategies that harness the unique capabilities of each sector.

Sector-Specific Agendas: COP28 featured discussions on specific sectors like agriculture, water, and health, recognizing their critical role in both being affected by and addressing climate change. Innovative approaches to sustainable practices in these sectors were highlighted as vital to achieving overall climate goals.

Ecobank's participation in COP28

Ecobank's participation in COP28, spearheaded by our GCEO, involved engaging in these crucial discussions, sharing insights from our sustainability initiatives, and forging partnerships that align with our commitment to environmental stewardship and economic development in Africa. This engagement underscores our dedication to being at the forefront of climate finance and our role in supporting Africa's path towards sustainability.

His contributions were instrumental in several key areas:

Strategic Leadership and Advocacy

Our GCEO was actively involved in high-level discussions and panels, advocating for stronger commitments to climate finance, particularly in support of African nations. He emphasised the need for enhanced financial mechanisms that can enable the continent to meet its sustainability targets without compromising economic growth.

Engagement in Policy Dialogues

He engaged directly with policymakers and other financial leaders to push for pragmatic and actionable policies that support the transition to a low-carbon economy. This included discussions on frameworks that facilitate greater investment in green infrastructure and renewable energy projects across Africa.

Building Partnerships

Understanding the importance of collaboration in tackling global challenges, our GCEO worked to forge new partnerships and strengthen existing ones with international financial institutions, global environmental organizations, and other private sector entities. These partnerships focus on leveraging collective resources and expertise to drive more significant impact in climate action efforts.

Advocating for Financial Innovation

A key focus for our GCEO was advocating for innovative financing solutions that can provide the necessary capital for large-scale sustainability projects. He highlighted the role of green bonds, sustainable loans, and other financial products that Ecobank is pioneering to facilitate green investment across the continent.

Facilitating Knowledge Sharing

Our GCEO also participated in knowledge-sharing sessions aimed at disseminating best practices and lessons learned in implementing sustainable finance solutions. By sharing Ecobank's experiences and achievements, he contributed to a broader understanding and adoption of effective strategies within the global finance community.

Through these roles, he not only enhanced Ecobank's standing as a leader in sustainable finance but also actively contributed to shaping the global agenda on climate action and sustainability at COP28. His involvement underscores Ecobank's proactive approach to addressing climate change and promoting sustainable development in Africa.

Mr Awori and Mr Sackey with Mr. Agyapong founder of Zoomlion

AFRICA BUSINESS LEADERS COALITION

The Africa Business Leaders Coalition (ABLC) is a CEO-led initiative dedicated to promoting sustainable growth, prosperity, and development across the African continent. The platform serves as a crucial forum for uniting business leaders from across Africa to tackle the urgent issue of climate change and explore sustainable development strategies. It offers a unique opportunity for leaders to share insights, collaborate on solutions, and drive collective action towards a more sustainable and resilient African economy.

Ecobank's Contributions:

During the ABLC forums at COP 28 and throughout the year, our GCEO, representing Ecobank, highlighted several pragmatic approaches to environmental challenges:

Green Financing: our GCEO discussed Ecobank's initiatives in green financing, such as funding renewable energy projects and energy-efficient infrastructures. These efforts not only help reduce the carbon footprint of businesses but also promote long-term sustainability in operations.

Sustainable Agriculture Programs: Recognizing the agricultural sector's vulnerability to climate variability, our GCEO shared insights into how Ecobank supports sustainable farming practices. This includes providing financial products that encourage the adoption of climate-smart agricultural techniques and supporting smallholder farmers in transitioning to more sustainable practices.

Capacity Building and Education: our GCEO emphasised the importance of building capacity and educating clients and communities about the benefits of sustainable practices. Ecobank has helped spread awareness and equip businesses with the necessary tools to implement environmentally friendly practices through workshops, seminars, and training programs.

Partnerships for Sustainability: Highlighting successful partnerships, he shared examples of collaborative projects where Ecobank worked alongside NGOs, government agencies, and other businesses to tackle environmental issues collectively. These partnerships often focus on afforestation, waste management, and water conservation.

Policy Advocacy: Ecobank actively engages in policy advocacy to promote favourable regulatory environments for sustainable business practices. Our GCEO discussed how these efforts help shape policies that support the integration of sustainability into the core strategic planning of businesses across Africa.

Impact and Forward Movement

The African Business, Climate Leadership discussions, underscore the potential for significant impact when businesses come together to address climate change. By sharing successful projects and initiatives, our GCEO showcased Ecobank's sustainability leadership and provided a blueprint that other institutions could adapt or replicate. This collaborative approach is essential as it leverages the strength of the business community to push for broader changes that benefit the entire continent.

The Fifth Annual Group Chairman's Sustainability Award

Group Chairman's Sustainability Awards

Launched in 2018, the Ecobank Group Chairman's Sustainability Awards exemplify Ecobank's deep-rooted commitment to fostering sustainable development across its operations and the communities it serves. These awards were initiated under the leadership of the Chair of the Board of the Group, to encourage and recognise outstanding efforts by Ecobank's affiliates in addressing environmental, social, and economic challenges through innovative sustainability practices.

Importance of the Ecobank Group Chairman's Sustainability Awards

1. Driving Sustainability Initiatives: The awards stimulate all Ecobank affiliates to develop and implement effective sustainability initiatives. By setting a standard of excellence, the awards inspire creativity and encourage a proactive approach to solving complex issues related to sustainability.

2. Enhancing Corporate Responsibility: Through these awards, Ecobank reinforces its role as a socially responsible entity. They highlight the bank's commitment to going beyond financial performance to make a positive impact on the environment and in communities across Africa.

3. Recognising and Scaling Impactful Solutions: The awards serve to not only recognise but also promote the replication of successful sustainability projects across different regions. This helps to scale the impact of innovative solutions that have proven effective, thereby extending benefits across a broader spectrum.

4. Building Stakeholder Trust: By publicly acknowledging the significant contributions of its affiliates towards sustainability, Ecobank enhances its brand reputation and builds greater trust among clients, investors, and regulatory bodies. This trust is crucial for long-term client relationships and operational success.

5. Contributing to Global Sustainability Goals: The initiatives recognised by the awards often align with global sustainability agendas, such as the United Nations Sustainable Development Goals (SDGs). By addressing key areas such as clean energy, gender equality, economic growth, and responsible consumption, Ecobank actively contributes to global efforts in tackling some of the most pressing challenges of our times.

Winners and Highlights of the Projects:

Joint Winner: Ecobank Senegal – Helping SMEs Access Finance, Capacity, and Markets Ecobank Senegal's initiative supports small and medium-sized enterprises (SMEs) by partnering with official support bodies to prepare SMEs for financing, significantly reducing loan default rates from 5% to 2%. This initiative has led to an 89% increase in loans year-on-year, boosting customer numbers, loans, and profitability. It also enhances financial inclusion and strengthens Senegal's economy through increased employment and integration of SMEs into value chains.

SDG contribution:

By facilitating access to finance for SMEs and reducing default rates, this initiative has significantly contributed to economic growth and job creation in Senegal.

Supporting SMEs in integrating into value chains helps to build resilient infrastructure and fosters innovation.

Joint Winner: Ecobank Zimbabwe – Improving Women's Agency through Financial Inclusion This project focuses on empowering women in rural Zimbabwe by providing low-cost, female-focused financial solutions. In collaboration with Care Zimbabwe and UN Women, the initiative has engaged over 52,500 women, linking them with local markets and digital financial services, thereby fostering gender equality and transforming local ecosystems into regional trade hubs.

By engaging over 52,500 women and connecting them with markets and digital financial services, Ecobank Zimbabwe is transforming local ecosystems into regional trade hubs, thereby promoting sustainable economic empowerment of women.

SDG contribution:

The focus on empowering rural women through targeted financial services promotes gender equality.

Enhancing financial access for women helps reduce inequalities within and among countries.

Runner Up: Ecobank Malawi – Supporting Women and SMEs in Agriculture Ecobank Malawi, with support from the European Investment Bank, provides financial and technical assistance to women-led agri-businesses and SMEs. This includes networking events and seminars to build capacity in financial management and business operations, promoting sustainable agricultural practices and economic growth. Through financial and technical assistance, this initiative promotes sustainable agricultural practices and economic growth, enhancing the livelihoods of women entrepreneurs in agriculture.

SDG contribution:

Providing support to agri-businesses directly contributes to sustainable agriculture and food security.

Empowering women-led businesses enhances gender equality.

Runner Up: Ecobank Ghana – Generating Solar Energy for Digital Terrestrial Television In partnership with KNet Ghana Limited, Ecobank Ghana's project focuses on utilizing solar power to fuel digital terrestrial television transmission sites. This initiative not only ensures reliable power supply but also significantly reduces carbon emissions, contributing to sustainable energy use in Ghana's media landscape.

SDG contribution:

Utilizing solar power for media operations fosters the use of sustainable and clean energy.

Reducing carbon emissions through clean energy solutions directly contributes to climate action.

Runner Up: Ecobank Mali – Financing Reforestation in the Shea Nut Industry This project involves financing for Mali SHI SA to support the shea nut collection season, which has led to environmental benefits such as the protection and reforestation of shea trees and the use of shea oil cakes as a sustainable fuel alternative. This initiative supports local economies, particularly enhancing the livelihoods of female shea farmers. Financing for reforestation and sustainable practices in the shea nut industry not only enhances local economies but also improves the livelihoods of female farmers, contributing to both environmental sustainability and gender equality.

SDG contribution:

Supporting reforestation and sustainable land use are key aspects of climate action.

Protecting, restoring, and promoting sustainable use of terrestrial ecosystems through reforestation initiatives.

The Ecobank Group Chairman's Sustainability Awards are more than just a ceremonial recognition; they are a crucial part of Ecobank's strategy to integrate sustainable practices into all aspects of its operations and to lead by example in the financial sector. By doing so, Ecobank enhances its operational sustainability and drives broader social and environmental benefits across the continent.

Please visit Ecobank's website at ecobank.com/group/sustainability for the standalone 2023 Sustainability Report or scan the QR code below for access:

Foundation Report

The Ecobank Foundation seeks to make a positive impact on people's lives throughout Africa. Our social agenda and mission to improve lives are spearheaded by the Foundation.

2023 main achievements

1. Leading African private sector's mobilisation for social impact

The African private sector can be a key driver and catalyst for inclusive and sustainable socio-economic development. By unlocking innovative ways to play this role, they can contribute to transforming communities and bridging the gaps in the mainstream development agenda.

This is why in 2020, the Ecobank Foundation launched the Zero Malaria Business Leadership Initiative (ZMBLI), with the aim of mobilising African SMEs' participation in malaria control and elimination. It is energising national goals by bringing more partners and resources to the table.

Malaria remains a threat for people around the world, causing over 608,000 deaths in 2022 – and more than 90% of these deaths occurred in sub-Saharan Africa. In some African countries, malaria reduces GDP growth by up to 1.3% and places a significant burden on private-sector businesses. The disease continues to affect company profits across the African continent and beyond, through employee absenteeism, reduced productivity and escalating benefit costs.

In 2023, we continued mobilising private sector funding and engagement to fight malaria in Africa, with our focus countries being Benin, Burkina Faso, Ghana, Senegal and Uganda. Since its inception close to $6 million has been mobilised from the private sector in the form of in-kind and financial contributions from over 57 companies. Together with our partner Speak Up Africa, we accompany companies in identifying how they can best contribute to this fight, in alignment with the priorities of the government.

> **The Ecobank Foundation continues to be a role model in advancing the social impact agenda and transforming lives for corporates.**
>
> Emmanuel Ikazoboh,
> Chairman, Ecobank Foundation

Bicycles for community health workers

We accompanied a Senegalese construction company in identifying a contribution that can be aligned with the expectations of the company's shareholders, as well as addressing the needs of the National Malaria Control Programme.

Following discussions with the parties and the communities, an innovative donation was made: bicycles for the health districts of Kolda, Médina Yoro Foula and Malhem Hodar. According to the communities' health workers, this donation not only helps them to facilitate the transport of the malaria commodities, but also to develop side businesses to complement their incomes.

The success was so important that large donors decided to integrate providing bicycles to their malaria prevention strategic plans.

2. Transforming Africa through education

2023 was also a special year for all Ecobankers as we celebrated the 10th anniversary of our annual flagship corporate and social responsibility initiative "Ecobank Day".

Ecobank Day was born not only from a desire to give back to our communities but also from a profound vision to impact and transform. It reflects the giving spirit of all our almost 15,000 Ecobankers around our 33 countries. It is an opportunity to reaffirm our commitment to continue to make a positive impact in the communities that we serve.

We used this opportunity to launch our new three-year campaign on education – based on Ecobankers' vote: 'Transforming Africa through Education'. This theme emphasises our dedication to shaping the future of our continent by equipping its people with essential skills.

This year, we focused on digital education and creating opportunities for children and youth to help them receive the digital skills they will need for tomorrow's jobs. We held a series of activities, including creating or equipping IT labs, refurbishing schools, working with schools to help improve digital facilities/tuition, mentoring initiatives and more. More than 10,000 young people and children received digital skills training and an introduction to coding – instilling a passion for digital and technology in young minds.

With 1,000+ participants, our webinar featured experts and young people discussing the importance of ensuring that all African children and youth have access to digital skills, with emphasis on coding and programming.

In 2023, we also continued our support of the DoWellDoGood organisation and their Programme of Excellence for Women in Africa. Through this programme, 100 female students will learn all the soft skills that will allow them to be great leaders who will transform their communities. The programme runs in Côte d'Ivoire and Togo.

3. Taking a stand for women and girls

In 2023 a lot of our activities orbited around women's and girls' empowerment.

We launched Together First with Global Partnership for Education (GPE) and 'Bias No More' – a series of podcasts featuring eminent leaders and voices from government, civil society and the private sector, who shared their ideas, insights and perspectives on how girls and young women can be empowered to take up career opportunities in science, technology, engineering and mathematics (STEM) fields.

To celebrate International Women's Day, we partnered with UN Women and GPE to organise a webinar on 'How to leverage transformative and digital technology to create equal opportunities?', recognising the critical role digital can play in empowering women and tackling the gender gap. The webinar was attended by almost 1,200 people.

In July, the Ecobank Foundation was one of the only African Foundations to host a side event at the Women Deliver 2023 triennal conference in partnership with GPE on July 18, on how to prepare girls and young women for the 21st century workforce. Women Deliver is a leading global advocate that champions gender equality and the health and rights of girls and women, in all their intersecting identities, and organised its global conference in Africa for the first time.

To close up 2023, we reiterated our support to UN Women's campaign '16 days of activism against gender-based violence' hosting our first webinar on the topic with more than 1,000 participants. As Ecobank embarked on its diversity and inclusion journey, hosting this webinar resonated as living proof of our commitment to the gender agenda.

10th ANNIVERSARY

In 10 years, we transformed lives in 35 countries, empowering communities across the continent around malaria, mental health, non-communicable diseases, financial inclusion, the environment and more.

Ecobankers dedicated 10,000 hours of volunteering in our communities cleaning, refurbishing, teaching, raising awareness through marches, providing communities with free screenings and spreading hope through generous donations.

Here's to the next decade!

We would like to emphasise the positive impact of your generosity, which goes beyond the mere material endowment.

Your investment in transporting students and teachers, as well as providing refreshments, snacks and hot meals during the training sessions, testifies to your deep understanding of the essential needs for an enriching educational experience.

Koffi Agbeto
Principal of Lycée Ablogamé

Ecobank Day is a fantastic day bringing the entire Ecobank family together for a common goal: Giving back to society.

Thaddeus Okwano
Ecobank Kenya

Ecobank Day is a beautiful and commendable initiative to sustain.

Anna Ndiaye Dos Santos
Ecobank Senegal

People Report

We're strengthening people and culture solutions for growth, transformation and returns

Aligned with our strategy-driven approach, in 2023 we worked closely with the leadership teams across the Group to position our human resources (HR) solutions effectively to support business growth.

The year was marked by significant progress in workforce development, where we reached the milestone of having our staff complete over one million of learning content and delivering an average of 15 training programmes, combining instructor-led and eLearning courses per employee, a 50% increase from last year. We also expanded our learning offerings through world-class global partnerships and leveraged our corporate university, the Ecobank Academy, to offer external training to thousands of our external clients, mainly small and medium-sized enterprises (SMEs) and micro, small and medium-sized enterprises (MSMEs), across the Group.

We strengthened our performance management process by formally incorporating a behavioural assessment – a values-based 360° assessment – into the annual performance evaluation for staff. This means our staff will be assessed on the 'what' and 'how' of performance, contributing to a sustainable performance culture.

Our organisational development efforts were enhanced with several key initiatives, and our employee experience metrics showed substantial improvements in 95% of dimensions, affirming our commitment to Employee Experience. Our overall employee engagement score improved from 72% to 75%. Other key areas of our employee experience scores also continue to show improvement, with 'Meaningful Work' at 93% (92% in 2021), 'Connected to the Purpose' at 92% (89%), our 'Quality Leadership' at 78% (76%) and 'Enabled to Deliver' at 80% (76%).

External benchmarks further validated our focus on driving employee experience, recognising Ecobank as one of Africa's Best Places to Work. While we are proud of these internal and external recognitions, we remain committed to continuous improvement in all our processes.

Working closely with all internal stakeholders, our continuous focus on Culture, Conduct and Ethics remains integral to our Group's ethos.

In HR Technology, we have made progress by introducing new enhancements and features to streamline HR processes, enhancing efficiency and effectiveness.

We continue to standardise our Compensation and Benefits structures across all markets, including a thorough compensation structure review, job evaluation and grading, and the introduction of a robust Employee Recognition Programme, aligning with our commitment to acknowledging and rewarding our staff's contributions.

Our end-to-end talent management approach, covering everything from Resourcing to Graduate Programmes, was further strengthened by expanding our Graduate Programmes and attracting the best internal and external talent. We also digitised our structured Talent Management processes, including Talent Assessments, Reviews and Interventions.

Our retention approach has been strengthened to address the war for talent effectively,, ensuring that we preserve and build core people capabilities for the business.

As we look to the future, we have laid out our new People and Culture Strategy designed to support our Growth, Transformation and Returns (GTR) agenda set for 2024-2028. Additional information on this new strategy is included in the detailed part of our report.

This report provides a detailed progress update on our 2023 initiatives positioned to support the execution of our strategy and unlock the potential of our workforce.

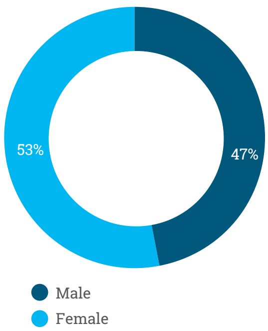
- Scaling our Learning and Development for current and future capabilities.
- Enhancing performance management to drive the performance culture and business outcomes.
- Continued focus on Employee Experience.
- Key initiatives for Organisation Development and Organisational Effectiveness.
- Market-driven compensation and benefits.
- Structured resourcing and graduate programmes.
- Talent management and succession planning.
- Our new People and Culture Strategy

Our People and Culture pillars are among the key enablers of the Group's current and future business successes.

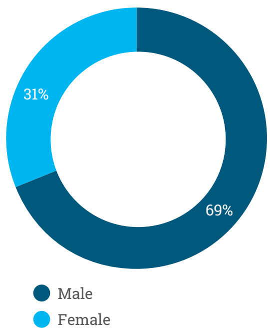
Throughout 2023 we continued to cultivate a workplace where our people thrive.

Yves Mayilamene
Group Executive
Human Resources

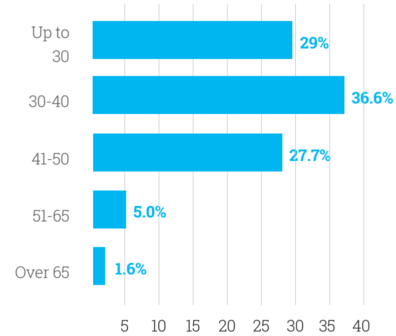
Gender
Bank-wide



Gender
Management & Executive

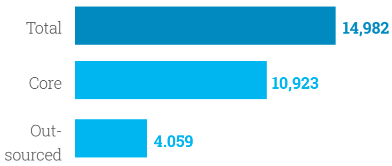


Group wide
Age profile

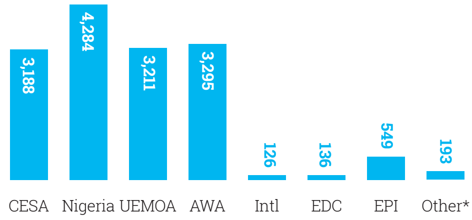


Average age: **38**

People/HR metrics
Headcount by type



Staff distribution by region/entity



People Report

1. Learning and development

Throughout the year, we have implemented various learning and development initiatives to support personal growth and business-driven objectives. Below is an overview of what we have delivered in collaboration with the businesses and functions across the Group during 2023.

Key Metrics: Year-to-Date (YTD) Comparison	YTD Actual
Metric	
Total number of learning content viewed	1,2889,764
Total number of learning videos completed	1,084,432
Total number of full trainings consumed	200,000
Training per staff (average)	15
Number of training hours (overall)	27,000
Number of training hours per staff (average)	20
L&D Programme Satisfaction Index	94%
Number of external organisations enrolled (SMEs and MSMEs)	8,900

We continue to promote a culture of continuous learning among our staff, focusing on the delivery of business-driven learning solutions across the Group. To achieve this, we utilise a blend of over 21,000 world-class online courses and in-person training sessions conducted by both internal and external faculties. Our approach has been further strengthened through partnerships with world-class organisations, including LinkedIn Learning, Harvard ManageMentor, Oracle and GetAbstract. These collaborations offer our employees extensive opportunities for skills development and enhancement.

Through the Ecobank Academy, we also support our business by training Ecobank clients, focusing on SMEs and MSMEs.

External Programmes: SME and MSME Training Programmes

In 2023, we witnessed a steady and growing interest in our training programmes, with close to 9,000 enrolments of SMEs and MSMEs from across the continent.

Delivered through the Ecobank Academy, these targeted initiatives reached a broad spectrum of businesses, emphasising our commitment to fostering growth and development in this vital sector. This substantial enrolment figure reflects the resonance and relevance of our programmes in meeting the diverse needs of SMEs and MSMEs. We are also pleased to note that almost 2,000 of the SMEs and MSMEs completed the full training programmes. The success of our 2023 engagement programmes underscores our role as a key enabler in the growth and development of SMEs and MSMEs across the continent. We look forward to building on this momentum and offering valuable, impactful training and development opportunities in the coming years.

2. Performance management

Throughout the year, we have implemented our structured performance management process, which begins with aligning individual goals with business objectives. This process is designed to reinforce effective goal setting that supports the business and is powered by regular reviews, including mid-year and end-of-year performance evaluations.

We have further strengthened our normalisation and calibration processes to ensure objective outcomes in the year-end performance evaluations. Our normalisation process enforces fairness and objectivity in performance evaluations, thereby enhancing the credibility and effectiveness of our appraisal system.

Another significant development in this year's appraisal process is the formal incorporation of a behavioural assessment – a values-based 360-degree assessment – into the annual performance evaluation for all staff. This inclusion aims to provide a more holistic view of an employee's performance, considering feedback from various sources, and aligns with our commitment to fostering a culture of continuous improvement and accountability.

Integrating the 360° assessment into our performance management process follows a comprehensive pilot programme involving 2,600 managers and supervisors from across the Group. The success of this pilot programme has informed our decision to implement this approach Group-wide, reflecting our dedication to enhancing the effectiveness of our performance management system for all staff. Below is an overview of our integrated performance management process.

Define Business Strategic Priorities

- Use the budget process for leaders to identify the key strategic priorities of the organisation
- Have leaders analyse how each priority contributes to overall success
- Communicate priorities and use them to inform goal-setting process

Set Goals and KPIs for All Employees

- Have leaders allocate weight for all performance areas (goals) in line with business priorities
- Have leaders' goals and KPIs signed-off before cascading to their teams
- Ensure all staff have their goals and SMART KPIs (aligned strategic priorities) captured in HR system
- Have employees and managers define development needs and support required for results attainment

Conduct Periodic Performance Reviews

- Employee/Manager Check-in:
  - Schedule regular check-ins with employees to review progress against goals
  - Complete mandatory mid-year review and make necessary adjustments (June–July)
  - Review progress made towards goals set at the start of the year
  - Provide constructive feedback to help employees improve performance
  - Adjust goals or expectations as needed to ensure that they remain achievable

Complete End-of-Year assessment

- Conduct a comprehensive review of employee performance over the entire year
- Run behavioural 360° assessment for all staff
- Evaluate how well employees met their goals and contributed to the organisation's success
- Provide initial feedback to help employees understand their strengths and areas for improvement

Complete Normalisation/ Calibration and Release Results

- Normalise/ calibrate performance data to ensure that all employees are evaluated fairly
- Run a business normalisation process comparing staff performance vs business metrics
- Release normalised results, additional data and feedback
- Plan for recognition of good performance
- Consequences for poor performance (PIPs and BIPs)
- Follow up actions for employee development

3. Employee experience (EX)

Our dedication to improving the employee experience continues to be one of our top priorities. Through our employee experience initiatives, we constantly work to Maximise Staff Potential, Elevate the Workplace Environment and Drive Business Results. Below is a snapshot of the four pillars of our employee experience.

Employee Engagement

- Monitor employee engagement and satisfaction, e.g. EX scores, eNPS and NPS
- Adapt to evolving employee needs and future of work e.g., hybrid, EX Journeys, Employee UX
- Address pain points and provide solutions, e.g. perception of fair compensation and career opportunities

Conducive Culture

- Strengthen company culture and alignment with organisational values, e.g. incorporate values and CCE1 as part of EX
- Mandate EX as part of mandatory KPIs and incorporate values as part of how performance is assessed
- Cultivate diverse and inclusive work environment

Business Growth and Customer Satisfaction

- Foster a motivated workforce for increased productivity and innovation
- Retain talent for sustained business growth and continuity
- Ensure clear communication and shared vision for improved customer satisfaction and business performance

Data Analytics and Global Standards

- Leverage on data analytics to determine key actions to improve EX in all affiliates
- Benchmark our results with external organisations
- Run independent external assessments to benchmark our EX-initiatives with global standards

1. CCE Dimensions and Values: Core Values, Capabilities, Motivation and Responsibility

People Report

In collaboration with stakeholders across the Group, we achieved several milestones in 2023:

- Conducted the 2023/2024 Employee Experience (EX) Survey: This essential tool helps us measure and understand our employees' sentiments and engagement levels.
- Recorded Year-On-Year Engagement Increase: For the fifth consecutive year, we have seen a year-on-year increase in employee engagement, rising from 68% to 75%. Notably, our top-scoring dimensions include Meaningful Work (93%), Connected to the Purpose (93%) and Core Engagement (81%). These high scores underline the effectiveness of our strategies in creating a fulfilling and purpose-driven work environment.
- Identified Areas for Improvement: Despite steady improvements in most dimensions, internal and external surveys highlight the need to further address perceptions of fair compensation and career opportunities. Recognising these areas as critical, we are committed to developing targeted strategies to enhance these aspects of the employee experience.
- Scaled Our EX-Data Analytics Platform: We have expanded the capabilities of our EX-Data Analytics Platform, enabling in-depth analysis by affiliates, businesses and functions. In line with our tradition of transparency and collaboration, we have shared comprehensive EX results with all key stakeholders, including the ETI Board, Group Executive Committee, Business Units, Functions and Affiliate Management.
- Engaging Workforce in Post-Survey Focus Groups: During the first quarter, we will engage our workforce in focus groups across our affiliates. These sessions are instrumental in gathering additional feedback and identifying priority areas for improvement. The insights gained will be categorised into actions we need to start, stop or continue.
- Implemented a Digital Action Planning Tool: To ensure adequate follow-up and accountability, we will deploy our digital tool for documenting and tracking action plans. This tool facilitates monitoring and management of improvement initiatives at local, regional and Group levels.

As we move forward, we will continue to enhance all aspects of the employee experience. Our ongoing efforts will include addressing key areas identified for improvement, refining our engagement strategies, and leveraging technology to further streamline and personalise the employee experience. Our goal remains to foster a workplace where every employee feels valued, engaged and connected to our mission and values.

3.1. Benchmarking ourselves with external organisations

In 2023, as part of our commitment to continuous improvement, we conducted an external assessment to evaluate the processes and effectiveness of our HR practices. This assessment, carried out by an independent external body, allowed us to benchmark Ecobank against other organisations within Africa and globally. It helped us to highlight our strengths and identify opportunities for further development. Below is an overview of the assessment and its results.

- **Feedback and Participation:** The assessment garnered anonymous and direct feedback from thousands of staff members across all Group entities.
- **Certification:** Following a four-month process of data gathering and assessment, Ecobank has been recognised as one of Africa's Best Places to Work for the second consecutive year. This accolade is a testament to our dedication to continuous improvement. While we take pride in this achievement, our focus remains on identifying and addressing areas that require further enhancement.
- **Comparative Analysis:** A heatmap below summarises the Global benchmark analysis. This analysis compares Ecobank's performance to the certification score, illustrating how we fare against the Global Benchmark for all industries, the Africa-wide Benchmark and the Global Industry Benchmark for Financial Services.

Leveraging these insights, we aim to refine our HR strategies and practices continually. Our goal is not only to maintain our esteemed position but also to align dynamically with the evolving global standards and employee expectations.

Together with the leadership of the firm, we are building an institution where the best talent can flourish, and every contribution is recognised as we step into a transformative era of growth and returns.

By leveraging our People and Culture pillars, we will not just help accelerate the execution of our key business objectives; our People will help redefine the future of banking in Africa, one that puts customers, stakeholders and our most valuable asset, our people, at the centre of it all.

Yves Mayilamene
Group Executive, Human Resources

Dimension	% Ecobank score	% Cut-off score (BPTW)	% Global Benchmark (All Industries)	% Africa (All Industries)	% Global Industry Benchmark
Gender equity	87%	70%	63%	76%	66%
HR strategy and objectives	75%	70%	63%	60%	64%
Recruitment and selection	72%	70%	61%	62%	62%
Resources/Tools	72%	70%	60%	60%	63%
Work environment	77%	70%	63%	62%	68%
Wellbeing	74%	70%	62%	59%	69%
Training and development	79%	70%	64%	72%	66%
Talent management	71%	70%	59%	65%	62%
Career management	72%	70%	59%	61%	62%
Performance management	76%	70%	64%	64%	63%
HR technology	74%	70%	60%	61%	62%
Internal communication	77%	70%	66%	61%	66%
Compensation	63%	70%	53%	62%	61%
Benefits	71%	70%	59%	65%	59%
Workplace Procedures	83%	70%	69%	66%	68%
Corporate Social Responsibility	78%	70%	63%	68%	64%

4. Organisation development/ organisational effectiveness

4.1. Organisation Design

As we embarked on our new corporate strategy of Growth, Transformation and Returns, one of the key focus areas has been refining our organisational design to align with our strategic objectives and aspirations. This effort is centred on optimising the span of control and reducing organisational layers, thereby enhancing efficiency and achieving operational excellence.

Following the recent approval of the new Group structure, we are set to implement these changes across the Group. The rollout of this new structure is scheduled to be completed within the first quarter of 2024. This reorganisation is not just a structural change but a strategic move towards streamlining our operations and positioning the Group for future growth and success.

Key aspects of this reorganisation include:

- **Streamlining Processes:** Reducing complexity to enhance decision-making speed and operational agility.
- **Enhancing Collaboration:** Fostering a more interconnected and collaborative work environment.
- **Driving Efficiency:** Leveraging a leaner structure to improve productivity and reduce operational costs.

The new organisational design will be a cornerstone in our journey towards achieving our strategic goals and sustaining long-term growth.

4.2. Enabling Customer Experience Through People Skills

In 2023 we launched the next wave of our Customer Experience (CX) development journey, the Ecobank Employee Customer Experience (EECX) 360°. The EECX 360° is a holistic assessment tool designed to evaluate the CX skills – behaviours, abilities and knowledge – of our entire workforce. This tool is in complete alignment with our Seven Core CX Principles. Our goal is to provide targeted development, ensuring that we consistently deliver superior customer service.

EECX 360° Objectives:

- Setting Clear Expectations: Offering well-defined guidelines and practical tools to standardise the behaviours and skills expected across the organisation.
- Identifying Strengths and Areas of Development: Utilising assessments to pinpoint specific strengths and areas for growth.
- Skill Development: Implementing targeted, assessment-driven training programmes tailored to close the skills gap.
- Promoting Teamwork: Fostering a cohesive and efficient work environment through initiatives designed to enhance collaboration and unity among staff.

4.3. Culture, Conduct and Ethics Update

Throughout the year, we have collaborated with various stakeholders, implementing initiatives aimed at enhancing organisational Culture, Conduct and Ethics.

4.3.1. Sample list of initiatives implemented in 2023

- Concluded the mandatory training for all staff on Ethics and Conduct and had staff complete attestation of the Code of Conduct.
- Presented the values and Conduct, Culture and Ethics (CCE)-related findings from the latest employee experience survey to the Board and management.
- Launched the Diversity and Inclusion agenda, spearheaded by the Group CEO, to underscore internal and external priorities. The launch event also saw the appointment of two executives to co-chair the council.
- **Celebrated Ecobank women**
- Organised Group-wide events and activities for gender diversity and female talent growth as per this year's theme: #EmbraceEquity, promoting diversity, equity and inclusion.
- Celebrated women and raised awareness via forums and town halls.
- Deployed learning programmes to all staff to raise awareness on the importance of equity, diversity and inclusion.
- **Launched 360° process:** Formally launched values-based (RACE-IT) behavioural assessment 360° process for all staff as part of the 360° process is now a part of the performance management process.
- **Case Studies:** Added more internal case studies (related to Ethics and Conduct) on the Ecobank Ethics and Conduct Organisational Learning platform. Some of the case studies have been instrumental in training front-line staff.
- **Institutionalisation of our core values:** We have had forums with the Group's senior executives on key areas we need to focus to institutionalise our values and culture further. The discussions included the type of initiatives to drive values adoption and a toolkit required to institutionalise a conducive organisational culture to support Ecobank's Growth, Transformation and Returns Strategy.
- **Operationalisation of the Group's Risk and Control Accountability Framework:** We have commenced operationalising this framework, which aligns with our efforts to enforce a Culture of Controls, Compliance and Accountability within the organisation. Additional updates on the same are in the internal control report.
- **Applying Consequence Management:** Effective consequence management is crucial for recognising staff who exemplify our ethics and values and for addressing instances (e.g. misconduct) where our Code of Conduct is not upheld.

4.4. HR Technology

HR Digitalisation is one of our key enablers. Building on the progress already made, in 2023 we automated additional HR processes such as recruitment, talent and career management, payroll and the career opportunity marketplace.

We also continue to see good utilisation of the main modules and continuously seek opportunities to improve user experience.

4.5. Employee Wellbeing Programme

In late 2023, we launched a comprehensive Group-wide Employee Wellbeing Programme. This initiative represents a significant step in our commitment to fostering a holistic work environment that prioritises the wellbeing of our staff.

As we progress with the Employee Wellbeing Programme, we will continuously monitor and adapt our strategies to ensure that they meet the evolving needs of our workforce. We believe that by investing in our employees' wellbeing, we are not only enhancing their quality of life but also contributing to the sustainable success of our organisation.

5. Compensation and benefits

Compensation and benefits form a crucial pillar in our HR strategy, ensuring that we remain competitive, aligned with market data and appropriately reward our people.

5.1. Job Evaluation and Grading

We have continued with the implementation of the job evaluation exercise across the Group. This initiative is crucial for maintaining internal equity and ensuring that our roles and responsibilities are accurately reflected in our organisational structure and compensation packages.

5.2. Salary Review/Compensation Structure

- **Standardised Processes:** We ensure that in all markets we operate, there are standardised processes and procedures for salary review and compensation structure.
- **Streamlining Efforts in 2023:** This year, we continued to streamline this workstream by conducting structured salary reviews for all eligible affiliates and reviewing the salary structures of most of the Group.
- **Comprehensive Examination:** A thorough examination across the entire Ecobank network was conducted to ensure that all structures are up to date and remain competitive.
- **Adaptability in Inflationary Markets:** In markets experiencing frequent compensation changes due to inflation, we have committed to annual reviews. This approach keeps us aligned with evolving trends and developments in these regions.

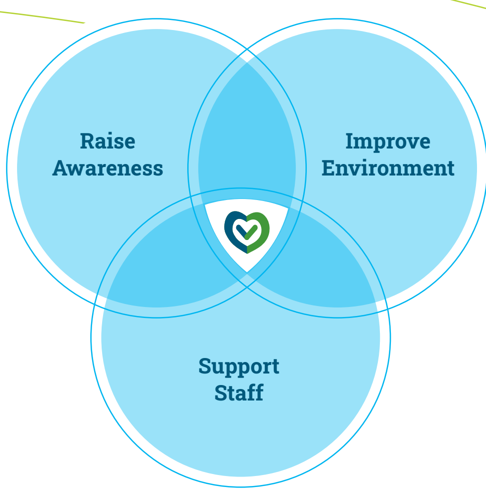
5.3. Benefits

5.3.1. Benefits Alignment: A recent review of our benefits was undertaken to align with current market trends and maintain our competitiveness externally.

5.3.2. Employee Recognition Programme: Over the past two years, we have seen significant programme integration across all our affiliates.

- **2023 Awards:** Approximately 688 accolades were awarded in various categories, including Bravo, Appreciation, Distinction and Excellence.
- **Innovative Awards:** The introduction of the "Winning Together Awards" recognises teams for their collective efforts in delivering specific, relevant projects. Additionally, the "Shining Star Award," which honours the top scorer in each affiliate, is set to be unveiled at an event in the first quarter of 2024, where it will be presented by the Group CEO. Shining Star Award winners were sponsored by their respective affiliates to attend a 2024 AFCON football match.

Our compensation and benefits strategy in 2023 has been about balancing competitiveness with internal equity, adapting to market changes and recognising the valuable contributions of our staff. These efforts underscore our commitment to being an employer of choice, both locally and globally.



6. Resourcing and graduate programmes

6.1. Filling Key Positions

We continue to support the business by ensuring that we complete several senior level recruitments at the Group and affiliate levels. All recruitments are positioned to support the execution of our GTR strategy.

Resourcing Platform: Launching Opportunity Marketplace

In November 2023, we launched Opportunity Marketplace – a new feature on our HR digital platform. This function gives staff Group-wide access to a wider list of full-time positions, short-term assignments and project-based work, also known as "gigs."

By leveraging this application, we aim to enhance the internal mobility of our talent within the Group and to foster career progression opportunities for our staff. Additionally, the platform integrates with LinkedIn's recruitment system, streamlining the process and reducing the costs of sourcing external candidates when necessary.

6.2. Graduate Programmes

We continue to drive the implementation of our graduate programme to build a pipeline of future leaders. Progress included:

- successfully completed the UEMOA Graduate Programme with 30 graduates;
- launched CESA Graduate Programme with participants from six affiliates in the region;
- ongoing monitoring of the placement of the AWA (Ghana) Management Programme participants;
- working on revamping our graduate programme format to address specific business challenges and opportunities, e.g., Technology, Payments, Sales etc.

7. Talent management

In the year to date, we implemented several initiatives to strengthen our talent management, including:

7.1. Talent Review

This year, we have transitioned the talent review process to a fully digital format on MY-HR, beginning with in-affiliate reviews. In November, we will advance to regional talent reviews and aim to complete the Group talent review process by the end of the performance management cycle.

This marks another key digital milestone for HR, enabling us to have a just-in-time comprehensive view of our talent pool.

Our Ecobank strategic talent review (eSTAR) process enables effective review of incumbents, succession planning for key roles, development plans and the identification of high potential across the Group.

7.2. Talent Assessment for Development

We have finalised the first phase of external talent assessments for Group staff and senior leadership, which incorporated Gallup's Clifton Strengths assessment. The forthcoming second phase will focus on in-depth executive assessments for developmental purposes.

7.3. Talent Interventions:

We delivered several interventions to support our staff and business, such as:

- mentoring programmes and skills development initiatives for businesses and functions;
- job rotation;
- Programmes, closely monitor attrition, and commence the process of reviewing the Ecobank employee value proposition.

Conclusion and forward-looking

The year 2023 marked a pivotal phase in Ecobank's journey, with a strong emphasis on People and Culture aligning seamlessly with our broader business objectives. Our initiatives in these areas have been instrumental in laying a solid foundation for sustainable growth and transformation.

Looking ahead, our focus remains steadfast on enhancing these pillars to drive future successes. The new People and Culture strategy, crafted for the 2024-2028 period, is designed to dovetail with our Growth, Transformation and Returns (GTR) agenda. This forward-looking strategy is not just about maintaining our momentum but about amplifying it to meet the evolving demands of the banking sector and our workforce.

Our commitment to this strategic direction underscores our resolve to continue leading in the African banking landscape, ensuring that our people-centric approach remains at the core of our business success.

On the right is a snapshot of our 5-year People and Culture Strategy.

Yves Mayilamene
Group Executive, Human Resources

Mission and Vision

Delivering sustainable **Growth, Transformation** and **Returns**

Corporate Strategic Priorities

Transform Nigeria	Reposition CESA and Subscale Markets	Entrench Leadership
Grow and Diversify CIB	Grow CMB and CSB	Payments

Our Vision:

To enable our people to engage with excellence and thrive in growth

01

- Redesign to support the GTR strategy
- Implement right layers and spans
- Operationalise the Org design (OD) model with right governance, processes and accountability

02

- Resource to fill existing gaps and for the future
- Skill, Reskill and Upskill for strong business growth
- Enhance Career and Talent Management
- Revamp Employee Value Proposition

03

- Scale behavioural assessment to all staff
- Have robust goals/KPIs
- Institutionalise top down pre and post performance mgt. normalisation and Calibration
- Address low performance and reward the best performance (Consequence management)

04

- Support and scale strategy execution (4DX)
- Institutionalise our values and embed the culture toolkit
- Drive Employee Experience and Wellbeing
- Standardise change management
- Diversity and inclusion

05

- Complete the standardisation across the Group (JG, CL) and ensure clarity for all staff
- Automate comp and ben processes
- Strengthen recognition programme
- Revamp incentive programmes (LTIP, stock options and bonus)

Enablers for HR Strategic Priorities

Technology & Data Analytics (MY-HR & Power BI)

Strengthening Co with Centralisation

04 Risk Management

Careful.
Diligent.
Thoughtful.

A better way.
A better Africa.

Risk Management

1. Risk management framework

Risk is inherent within our business activities. Accordingly, our risk management framework and governance structure are designed to achieve an acceptable balance between risk and reward.

The risk management framework 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.

- **Risk Measurement:** The Group uses a variety of techniques to measure risk. These include expected and unexpected loss calculation, risk rating, stress testing and benchmarking.
- **Risk Mitigation:** The Group has specific measures to minimise or eliminate unacceptable risks. These include managed distribution across affiliates or other financial institutions, covenants (positive, negative and financial), insurance and collateralisation.
- **Risk Monitoring and Control:** The Group reviews risk management policies and systems regularly to reflect changes in markets, products and emerging best practices. Risk monitoring covers the central risk areas: credit risk (including counterparty risk), market risk, liquidity risk, operational risk and country risk. Risk management professionals and internal auditors monitor risk exposures and adherence to approved risk limits by means of reliable and up-to-date information systems on a daily, weekly and monthly basis.
- **Risk Reporting:** The Group allocates considerable resources to achieving continuous compliance with the approved risk limits. It has set guidelines for reporting to relevant management bodies, including the Board of Directors and the Group Executive Committee. Significant changes in the credit portfolio, non-performing loans and other risk measures are reported on a daily, weekly and monthly basis.

2. Risk governance and organisation

The Board articulates the level of risk that Ecobank is willing to accept in the normal course of business ('risk appetite') and thus sets the overall risk profile for the Group. It supervises risk management through the Finance, Risk and Credit Committee and the Audit, Internal Control and Compliance Committee of the Board.

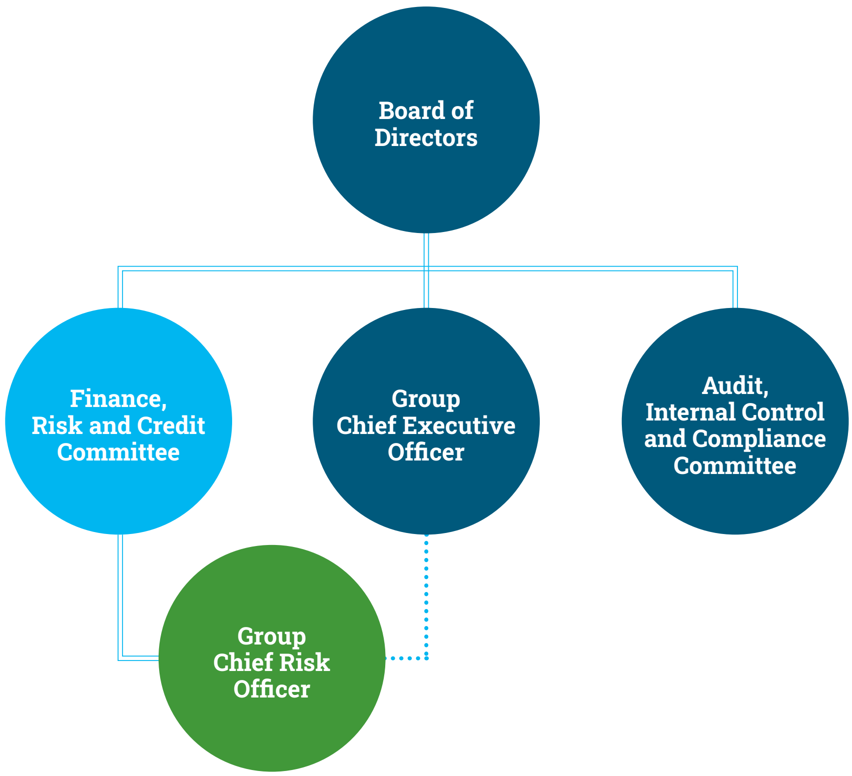
The Finance, Risk and Credit Committee proposes risk policies and the overall approach to risk management and monitors the adequacy of controls, compliance with risk policies and the Group's risk profile. The Finance, Risk and Credit Committee is composed of not less than three non-executive directors. The Group Chief Risk Officer and other senior representatives from the risk management organisation attend the Finance, Risk and Credit Committee meetings.

The Audit, Internal Control and Compliance Committee ensures that the financial activities of the business are subject to independent review and external audit.

The Group Chief Risk Officer is Ecobank's most senior risk management officer, responsible for all risk activities, and thus:

- Develops the risk management strategy, principles, framework and policies;
- Implements appropriate risk management processes, methodologies and tools;
- Advises and instructs management and business units on risk management;
- Monitors the application and effectiveness of risk management processes; and
- Co-ordinates appropriate and timely delivery of risk management information to the Group Chief Executive Officer, the Group Executive Committee ('GEC'), the Finance, Risk and Credit Committee and the Board.

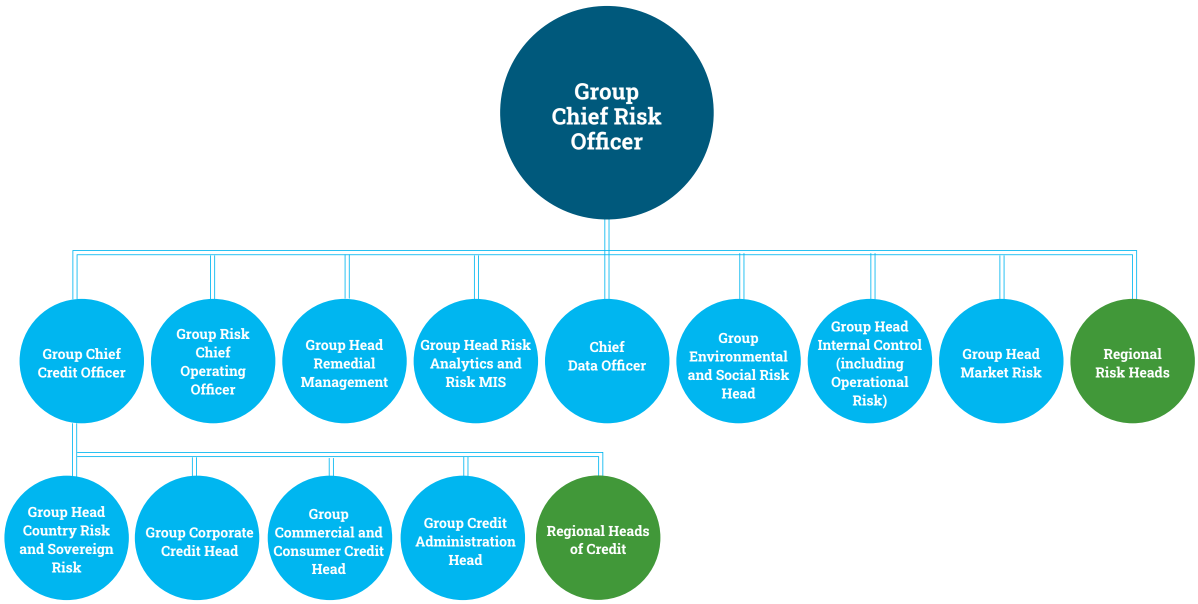
Risk Management Governance Structure



The Group Chief Risk Officer reports functionally to the Board Finance, Risk and Credit Committee and administratively to the Group Chief Executive Officer. The Group Chief Risk Officer supervises the Group Credit Risk department (comprising the Chief Credit Officer, Regional Credit Heads, the Group Credit Administration unit, the Country and Sovereign risk unit and the Remedial Management unit), the Risk Analytics and Management Information System ('MIS') unit, the Internal Control department (which includes the Operational Risk Management unit, the Market Risk Management unit, the Environmental and Sustainability unit and the Regional Risk Heads).

In each subsidiary bank, the Risk Management department is completely independent from all the operating and risk-taking units. It is led by a Country Risk Manager, who reports administratively to a Country Business Head and functionally to the Regional Risk Head. Regional Risk Heads report administratively to their respective Regional Business Head and functionally to the Group Chief Risk Officer.

Organogram of Group Risk Management



3. Major risk types

The Group is exposed to the following main categories of risk:

Credit risk, the risk of loss arising from the default or the credit risk migration of a customer or counterparty. It can arise because the counterparty is unwilling to make payment and/or because their ability to do so has been impaired. Direct credit risk arises in connection with credit facilities, such as loans and advances, while indirect or contingent credit risk stems from contractual obligations to clients resulting from the issue of letters of credit and guarantees. Credit risk also exists when the Group and its client have mutual obligations to exchange or deliver financial instruments at a future date. The language of credit risk at Ecobank includes the following:

- **Country risk,** the risk that an event in a country (precipitated by developments within or external to a country) will impair the value of Ecobank assets or will adversely affect the ability of obligors within that country to honour their obligations to Ecobank. Country risk events may include political events, policy actions that result in nationalisation, expropriation and other business regulatory risks, sovereign defaults, banking crises, currency crises and the imposition of foreign exchange and capital controls that would impede the ability to convert local currency to foreign currency and/or transfer funds cross-border, giving rise to transfer and convertibility risk.
- **Sovereign risk**, the risk that a sovereign or State-Owned Enterprise (SOE) will not have the capacity or willingness to honour its debt repayment obligations. Sovereign exposures may include statutory requirements for liquid assets in the form of liquidity placed with central banks, subscription for sovereign treasury bills and bonds, direct and contingent exposures to the sovereign and to SOEs.
- **Contagion risk**, the risk that developments in one country leads to a rating downgrade or adverse credit conditions, not only for that country but also for other countries where the Group has interests.
- **Pre-settlement risk**, the risk of default before settlement, arising when a counterparty defaults before the contract matures and the Group suffers a financial loss in the process of replacing the unexecuted contract. Settlement risk becomes a direct credit risk at the time of default.

Market risk, the risk of loss arising from adverse changes in market conditions during the period required to close out the Group's on- and off-balance sheet positions. The key categories of market risk are as follows:

Trading risk, generally related to market making activities where the Group acts as a principal. It arises from open positions in interest rate and foreign currency positions and is generally affected by changes in the level and volatility of yields and exchange rates. It does not include discretionary positions that the Group undertakes for liquidity or capital hedging purposes.

- **Foreign exchange risk**, the risk to earnings and capital arising from fluctuations in currency exchange rates. It can arise directly through trading in foreign currencies, making loans in a currency other than the local currency of the obligor, buying foreign-issued securities or issuing foreign currency-denominated debt as a source of funds. It can also arise when assets and liabilities are denominated in different currencies. The Group is also exposed to foreign exchange risk arising from translation of carrying values and income streams from local currencies to the US dollar, which is Ecobank's reporting currency.
- **Interest rate risk**, the exposure of earnings and capital to adverse changes in the level of interest rates. Exposure to interest rate risk can result from a variety of factors:
  - Repricing risk, due to differences in the timing of instruments' repricing.
  - Yield curve risk, due to mismatched maturities of instruments.
  - Basis risk, due to differences in the reference rates used for instruments.
  - Options risk, due to embedded options (for example, loan prepayment provisions) which can change the economic value of assets and liabilities.

Liquidity risk, the risk that depositors' and lenders' demands exceed the Group's ability to realise cash from its assets. Interest rate risk and liquidity risk are interconnected in the management of assets and liabilities. There are two types of liquidity risk:

- **Funding liquidity risk**, the risk that funds will not be available when needed to meet our financial commitments.
- **Trading liquidity risk**, the risk that assets cannot be liquidated at reasonable market prices. This can happen when market liquidity disappears, making it difficult or costly to close or modify positions without incurring losses.

Market risk also includes **equity price risk**, the risk of loss from share price movements, and **commodity price risk**, the risk of loss from commodity price fluctuations.

Operational risk, the risk of loss resulting from inadequate or failed internal processes, people and systems or external events. It is inherent in every product and service that Ecobank provides. It occurs in a variety of ways, including internal fraud, external fraud, transaction processing errors, business interruptions and disputes with employees, clients and vendors. Operational risk includes legal risk, the risk of loss due to failure to comply with laws, ethical standards and contractual obligations, and compliance risk, the risk of loss (from sanctions, penalties, damages or voiding of contracts) due to violation of rules and regulations in force in the countries where the Group operates. A specific form of compliance risk is disclosure risk which is due to reporting of incomplete or false information, or not meeting accounting and reporting requirements of regulatory, supervisory or fiscal authorities. Compliance risk is heightened when applicable rules or regulations are ambiguous.

Operational risk events give rise to reputational risk for the Group.

Reputational risk, the risk to earnings and capital arising from an adverse perception of the Ecobank brand among current and potential stakeholders, such as clients, trading counterparties, employees, suppliers, regulators, governmental bodies and investors. The perceptions of stakeholders, such as the media, non-governmental organisations (NGOs), trade unions, competitors and the general public, can influence the Bank's ability to maintain existing relationships, generate new business or maintain access to sources of funding.

Strategic risk, the risk that our strategy may fail, causing damage to the Group's ability to generate or retain business. Strategic risk arises when the Group launches a new product or service, or when it implements a new strategy. In making strategic decisions, the Group carefully assesses the impact of external factors and the feedback from customers, shareholders and regulators.

Environmental and social risk, where environmental risk is the risk of pollution or destruction of the natural environment (land, water, air, natural habitats, and animal and plant species) through accidental or deliberate actions, and social risk is the risk of a customer not meeting acceptable standards related to employment, working conditions and business ethics.

Sustainability risk refers to negative impacts on environmental, social or governance aspects that can affect a company's long-term viability and ability to create value.

4. Risk management approach

4.1 Credit Risk

Credit governance and approval

The credit risk governance structure has clearly defined responsibilities and credit approval authority levels. The Board is the highest credit approval authority in Ecobank. It sets credit policies and ensures that all officers involved in extending credit across the Group strictly adhere to these policies. Although credit approval limits are delegated to individual credit officers, no credit officer approves credits alone. All extensions of credit are approved by a minimum of three credit officers (one of whom must be from Risk Management) who have individual authority levels equal to, or greater than, the amount of credit under consideration.

Through its Finance, Risk and Credit Committee, the Board has delegated its authority to senior executives, including the Group Chief Risk Officer and the Group Chief Executive Officer, to review and approve all credits, including those in excess of the policy limit. The policy limit is defined as the maximum credit exposure to any borrower or group of related borrowers; it is currently set at 7.5% of Ecobank's consolidated shareholders' funds.

Whilst the primary responsibility for managing credit risk resides with the first line of defence, the Group Chief Risk Officer is responsible for ensuring that there are resources, expertise and controls in place for the efficient and effective management of credit risk across the Group. Ecobank's subsidiaries receive delegations of credit approval authority from their respective boards of directors, in line with the general framework set up by the Group Chief Executive Officer and the Group Chief Risk Officer.

The credit approval process is fully independent of the businesses. For credits to governments, financial institutions and corporations:

- Subsidiary banks initiate and approve credit applications (CAs) within their approved limits.
- Country approvals are provided by Country Credit Committees and ultimately by the respective country Board Credit Committees.
- After such approval, and depending on amounts set in the Credit Manual, some of the CAs must be sent to the relevant Industry, Product and Country Risk Specialists for their 'no objection' as appropriate.
- Where credits exceed the approval limit of the subsidiary, they are referred to relevant Credit Officers or Senior Credit Officers in line with the Bank's approval authority matrix for their 'no objection'.
- On receipt of the 'no objection' and other required approvals, depending on the facility limits and nature of the transaction, the initiating subsidiary submits the request to the local board for approval for transactions that are above their Country Credit Committee approved limits.

For credits to individuals, small and medium-sized enterprises (SMEs) and local corporations:

- Credit transactions are approved under the terms and conditions of credit programmes previously approved by Group Risk Management.
- Group Credit reviews credits above local limits for consistency with Group policies and procedures and provides its 'no objection'.
- On receipt of 'no objection' from Group Credit, the initiating subsidiary submits credits above local Country Credit Committee limits to the local board for approval.

Credit risk measurement

The Group estimates probable economic losses in the event of default. This represents the losses that the Group would face from the time of default until the end of the recovery process. Credit losses include all provisions taken against bad debts, write-offs, fully reserved interest earned but not collected and possibly legal fees incurred in the process of enforcing the Group's claims in court.

Credit risk measurement relies on three key metrics: risk exposure at default ('Exposure at Default' or 'EAD'), the probability of default ('PD') and the percentage of loss in the event of default (also called 'loss given default' or 'LGD'). The Group proceeds by assigning risk ratings to every credit facility in the credit portfolio. The amount of credit exposure is multiplied by loss norms (which correspond to the facility risk ratings) to arrive at measures of expected loss.

Risk ratings provide an objective means to compare obligors and facilities and to measure and manage credit risk across geographies, industry sectors and other relevant risk factors. Accordingly, the level of credit authority required to approve any credit transaction is based on the risk rating of obligors, amount of total facilities requested, and tenor.

Credit decisions are based on an in-depth review of obligor creditworthiness and an ability to generate cash flows to meet operational needs and debt service obligations. The Group utilises an internal risk rating scale of 1 to 10 to rate commercial and industrial obligors, financial institutions, sovereign governments and SMEs. A rating of 1 identifies obligors of the highest quality, comparable to a AAA rating by Standard & Poor's. A rating of 10 is assigned to obligors of lowest quality or highest risk, equivalent to a D rating by Standard & Poor's. Obligors rated 1 to 6 are classified as 'normal borrowers'; those risk-rated 7 are classified as 'borrowers requiring caution', those risk-rated 8 and 9 are 'substandard borrowers', and those risk-rated 10 are 'borrowers at risk of permanent default'.

Risk ratings are assigned to both obligors and individual facilities. An obligor risk rating is defined as the risk of default on long-term unsecured debt in local currency over a 12-month period. It is assigned and approved when a credit facility is first extended and is reviewed annually and upon the occurrence of a significant adverse event.

The rating is derived from an analysis of the obligor's historical and projected financial statements and such qualitative criteria as industry issues, the obligor's position in the market, the quality of the Board and management and access to financing. The obligor risk rating process is carried out through automated decision-making tools. A facility risk rating is usually equivalent to the obligor risk rating, but may differ due to factors such as facility structure or collateral.

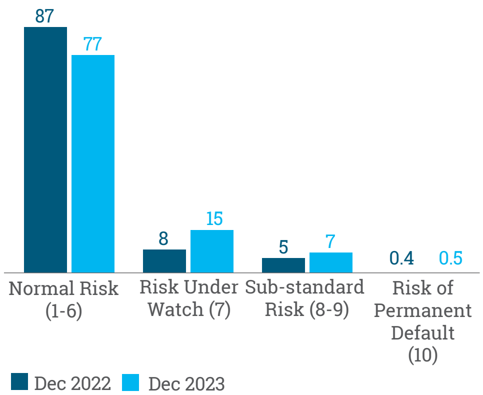
With regard to consumer lending, the Group utilises a credit programme approach, whereby credit is extended on the basis of product-specific risk parameters using scoring systems. The products involved are secured and are of a self-liquidating nature.

Group Risk Management also uses statistical models to determine the level of unexpected loss. The Risk Analytics and MIS unit uses unexpected loss measures to monitor that the Group is not exposed to excessive concentrations of credit risk on any one obligor, asset class, industry sector or geography.

As of 31 December 2023, the proportion of the credit portfolio classified as "normal credit risk" decreased to 77% from 87% on 31 December 2022. This shift primarily stems from global and local economic challenges, adversely affecting the creditworthiness of our borrowers.

Consequently, there was a year-on-year decline in the portfolio's risk profile, marked by a rise in both the "Risk Under Watch" and "Sub-standard Risk" categories.

Portfolio breakdown by risk category per cent of total portfolio



Credit risk monitoring and control

Credit risk exposures of subsidiaries are monitored at both subsidiary and Group level. At subsidiary level, credit administration units monitor the performance of individual exposures daily, ensure regularity of credit approvals and line utilisations, authorise disbursements of credit facilities when approval conditions are met and perform periodic reviews of collateral. These units are also responsible for the preparation of internal risk management reports for country management and Group Risk Management.

Risk control units within internal control departments provide a second line of defence as they ensure that controls are in place and are effective. Remedial management units identify early warning signals of portfolio quality deterioration and monitor past due exposures with a view to maximising collections of delinquent loans and recoveries of loans previously reserved or written off.

At the Group level, the Risk Analytics and MIS unit monitors risks taken by subsidiaries on individual obligors and economic groupings through a review of monthly reports submitted by the country risk management units of the subsidiary banks. These reports include early warning systems designed to monitor troubled exposures and credit process problems. They also include detailed credit exposure data that enable the Group to monitor the risk profile in terms of obligors, industry sectors, geography, currencies and asset maturity at a country and Group level.

Credit portfolio overview

The credit portfolio, net of provisions, amounted to $27.8 billion as of 31 December 2023; a 11% decrease from the $31.1 billion recorded a year earlier. This was primarily driven by our deposits with central banks and our treasury bills which decreased by $1.0 billion and $0.9 billion, respectively, during the year. Currency depreciation across our markets was the principal factor contributing to the shrinkage of our credit portfolio.

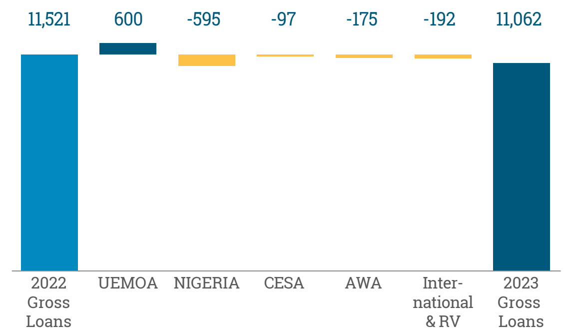
The portfolio consisted of loans and advances to customers ($10.6 billion), treasury bills ($1.6 billion), debt securities ($6.6 billion), loans, advances and placements with banks and financial institutions ($2.2 billion), deposits with central banks ($3.3 billion) and off-balance sheet exposures ($3.5 billion) in the form of financial and performance guarantees, as shown in the table below.

Risk assets (US$ millions)	2023	2022
Loans and advances to customers	10,573	11,003
Treasury bills	1,596	2,456
Debt securities (incl. Government bonds)	6,622	7,004
Loans and advances to banks and financial institutions	2,242	1,497
Deposits with central banks	3,931	4,293
Sub-total direct exposures	**24,964**	**26,253**
Import letters of credit	1,131	1,647
Other guarantees & undertakings	2,371	3,216
Sub-total contingent exposures	3,502	4,863
Total portfolio	**28,466**	**31,116**

Gross loans and advances

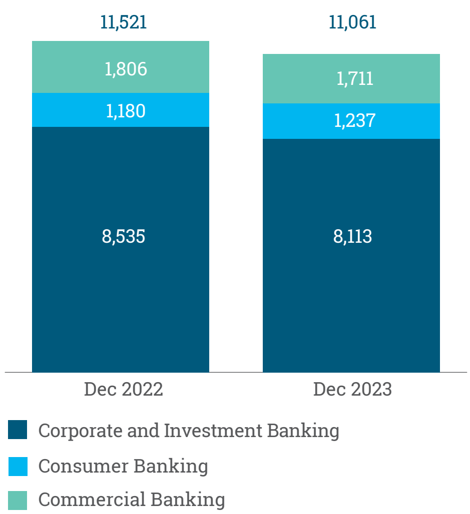
Gross loans and advances to customers decreased to $11.06 billion as of December 2023, from $11.52 billion in the previous year. During 2023, gross loans decreased in Nigeria (-$595 million), International and Resolution Vehicle (-$192 million), AWA (-$175 million) and CESA (-$97 million), while our exposure increased in UEMOA (+$600 million).

Geographical contribution to the decrease in gross loans ($ millions)

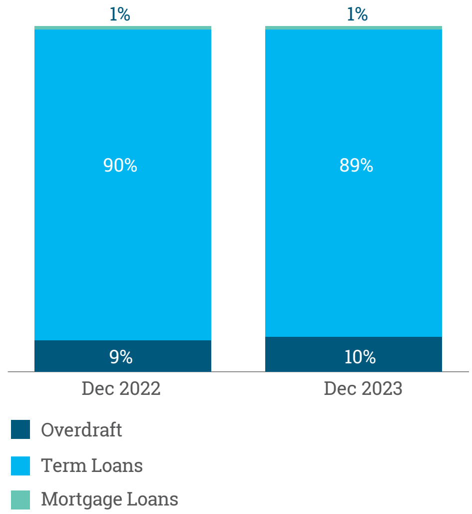


As of 31 December 2023, the Corporate and Investment Banking segment represented 73% (December 2022: 74%) of total gross loans and advances to customers, Consumer Banking was at 11% (December 2022: 10%) and Commercial Banking accounted for 16% (December 2022: 16%). At the product level, loan reduction was driven by term loans, which represented 89% of total loans (2022: 90%).

Gross loans by business segment (US$ million)



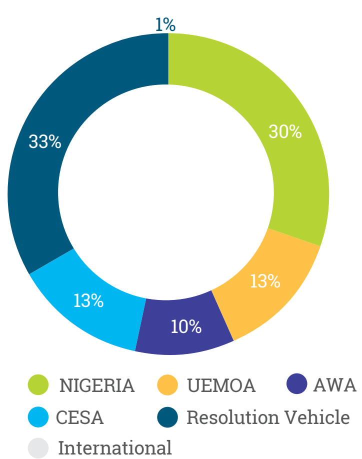
Gross loans by product concentration



Asset quality

Non-performing loans ('NPLs') remained stable from $599 million in December 2022 to $600 million in December 2023. At the regional level, excluding the Resolution Vehicle, Nigeria recorded the highest level of NPLs, accounting for 30% (30% in December 2022) of total NPLs, followed by CESA and UEMOA which accounted for 13% (16% in December 2022) and 13% (13% in December 2022) of total NPLs, respectively.

Non-performing loans by region



As a result of the stability in non-performing loans and the decrease in gross loans, the ratio of non-performing loans to gross loans and advances ('NPL ratio') increased from 5.2% as of December 2022, to 5.4% as of December 2023.

NPL ratio trend (%)

December 2022

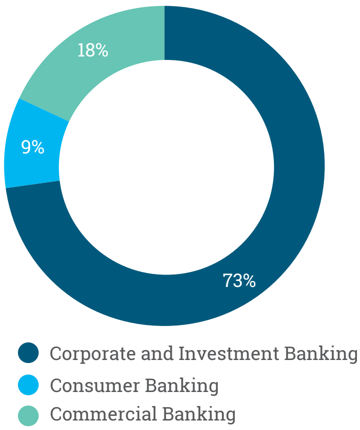
5.2%

December 2023

5.4%

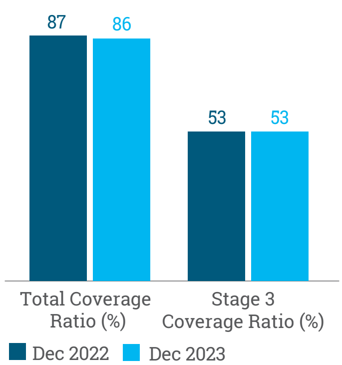
The non-performing loans book remained concentrated within Corporate and Investment Banking (73%; 76% in December 2022) and Commercial Banking (18%; 15% in December 2022).

Non-performing loans by business segment



The total NPL provisioning rate ('Total NPL coverage') decreased from 87% in 2022 to 86% in 2022, and the Stage 3 coverage ratio remained stable at 53%.

NPL coverage ratio (per cent)



The total impairment loss on loans and advances to customers for the year amounted to $145 million, higher than was recorded in 2022 ($10 million). Defined as the ratio of impairment losses to average gross loans and advances, the cost-of-risk, therefore, increased from 0.09% in 2022 to 1.28% in 2023.

Credit concentration risk management

Risk concentration limits are in place to ensure compliance with the Group's risk appetite. These limits are regularly reviewed by the Finance, Risk and Credit Committee to consider changes in our operating environment or within our business segments. The Group has a framework for setting concentration limits.

Concentration risk is managed by addressing credit quality and portfolio diversification. With respect to credit quality, the probability of default by risk factor (for example, geography, sector or product) is the main driver for limit setting because it is the main indication of portfolio quality. With regards to portfolio diversification, concentration risk is measured by the level of statistically unexpected loss associated with each risk factor. The unexpected loss measure allows Group Risk Management to identify and cap concentration risks which may not be picked up in measures like expected loss and regulatory risk-weighted assets.

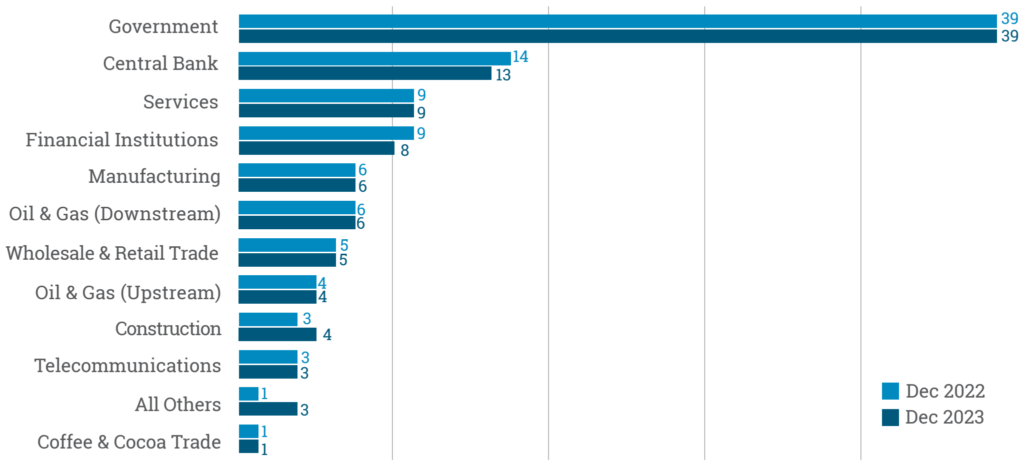
Obligor concentration

A large exposure is defined as any single exposure that represents at least 10% of the total credit portfolio, or any obligor or borrower, whose total exposure across the Group represents at least 10% of the Group's capital. As of 31 December 2023, there was no exposure equal to or greater than 10% of total portfolio. However, three non-bank obligors had an individual outstanding balance in excess of 10% of the Group's capital.

Industry diversification

The credit portfolio was dominated by the government, central bank and services sectors. The government and central bank sectors are mainly comprised of treasury bills and government bonds held for liquidity management purposes.

Diversification by industry – percentage of total portfolio



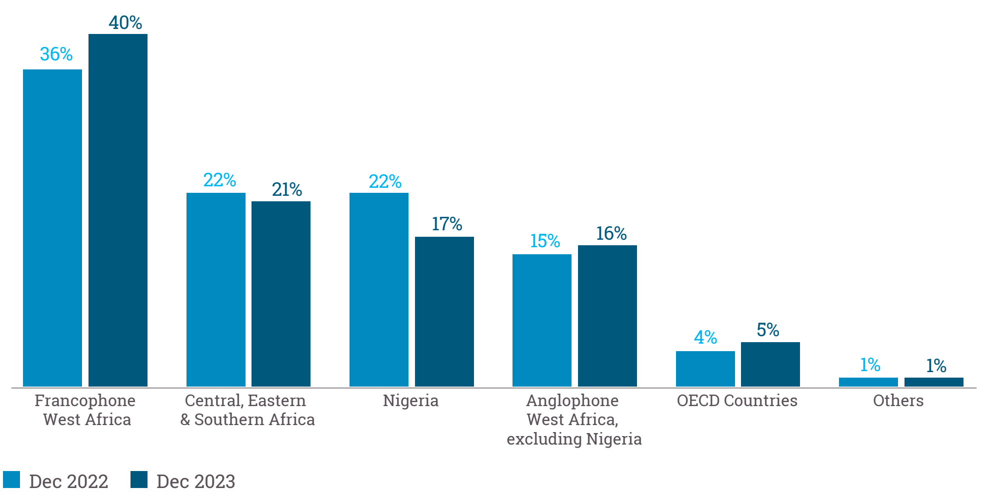
Geographic diversification

The Group has banking operations in 33 African countries, as well as in France, and benefits substantially from the geographic diversification of its credit portfolio.

As at 31 December 2023, the breakdown of the Group credit portfolio was as follows: Francophone West Africa (40%), Nigeria (17%), Central, Eastern & Southern Africa (21%), Anglophone West Africa, excluding Nigeria (16%), and OECD countries (5%).

At the country level, 17% of the Group credit portfolio was granted to obligors in Nigeria (December 2022: 22%), and 15% to obligors in Côte d'Ivoire (December 2022: 13%). Apart from these, no other country represented more than 10% of the portfolio.

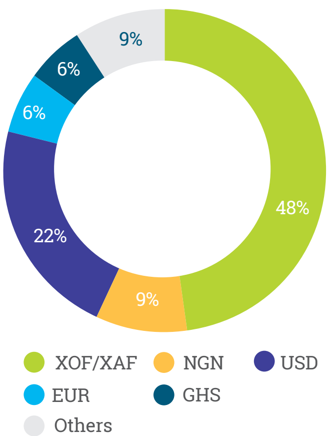
Exposures by region of residence – percentage of total portfolio



Currency breakdown

The portfolio remained predominantly denominated in three major currencies, namely the CFA franc (48%), the US dollar (22%) and the Nigerian naira (9%). These three currencies accounted for 79% of the credit portfolio.

Credit portfolio per currency



Portfolio stress testing

Stress tests are an important means of analysing our risk profile because they give management a better understanding of how the Group is affected by macroeconomic changes and negative events. The tests support compliance with regulatory capital requirements and are an important tool in capital planning.

For credit risk, the Group uses statistical models that transform macroeconomic scenarios into loss levels. The models are used to stress the probability of default ('PD'), causing higher loan impairment charges and erosion of capital. The models also subject collateral values to stress.

4.2 Market Risk

Market risk governance

The Market Risk Management Policy Framework aims to ensure that all significant market risks are identified, measured and managed in a consistent and effective manner across the Group. This assists the Bank to stabilise earnings and capital under a broad range of market conditions and to ensure adequate sources of liquidity.

The Group Asset and Liability Committee (GALCO), a sub-committee of the Group Executive Committee (GEC), is responsible for the supervision and management of market risks. Its members are the Group Chief Executive Officer, the Group Chief Financial Officer, the Group Chief Risk Officer, the Group Executive Consumer Banking, the Group Executive Commercial Banking, the Group Executive Corporate and Investment Banking, the Group Executive Operations and Technology, the Group Treasurer, the Group Head Market Risk, all Regional Executives, the Group Head of Compliance and the Head of Group Asset and Liability Management (ALM). The committee meets quarterly (although more frequent or ad hoc meetings may be constituted) to review the structure and pricing of Group assets and liabilities, to agree on the optimum maturity profile and mix of incremental assets and liabilities, to evaluate inherent market risks in new products and to articulate the Group's view regarding interest rates.

At the subsidiary level, the responsibility of asset and liability management lies with the Treasury Department. Specifically, the ALM desk of the Treasury Department manages the balance sheet. The results of balance sheet analysis, along with appropriate recommendations, are reviewed in monthly Asset and Liability Committee (ALCO) meetings where important decisions are made to minimise risk and maximise returns. Local ALCO membership includes the Country Managing Director, the Country Treasurer, the Country Risk Manager, the Head of Internal Audit, the Head of Finance and the Head of Legal.

Market risk organisation

Group Market Risk Management oversees market risks related to all assets, liabilities and off-balance sheet items. The Board Finance, Risk and Credit Committee sets the overall risk policies for Group market risk exposures, including risk limits. Group Internal Audit provides timely and objective assurance regarding the continuing appropriateness of, and the adequacy of compliance with, the policy framework.

The Group Head Market Risk (GHMR) plays a coordination, aggregation, facilitation and enabling function. The GHMR drafts market risk policies, defines market risk management standards, develops and distributes tools and techniques, and is responsible for training across the Group. The GHMR approves price risk limits and liquidity contingency plans for Ecobank's subsidiaries. In addition, the GHMR constantly monitors that market risk exposures are maintained at prudential levels. The GHMR also ensures that market risk management processes (including people, systems, operations, limits and controls) satisfy Group policies. The operational business units are responsible for the day-to-day management and control of market risk.

Market risk measurement

Consistent with an independent and centralised risk management function, Ecobank measures, monitors, manages and reports its exposure to market risk on a daily basis. It also conducts intra-day spot checks of market risks in individual subsidiaries by calculating risk exposures with internally developed systems that cover all of its positions. In addition, conventional risk measures and mathematical and statistical measures, such as Value at Risk (VaR), are utilised to calculate market risk.

At the subsidiary level, trading units maintain blotters for recording movements and balance sheet positions of traded instruments, which include daily monitoring of profit and loss balances of trading and non-trading positions. Internal controllers and market risk managers monitor daily trading activities to ensure that risk exposures taken are within the approved price risk limits and the overall risk tolerance levels set by the Board.

ALCOs, treasurers and market risk managers monitor market risk factors that affect the value of trading and non-trading positions, as well as income streams on non-trading portfolios, daily. They also track liquidity indicators to ensure that Ecobank's subsidiaries always meet their financial obligations.

Banking book risk management

Ecobank's traditional banking loan and deposit products are non-trading positions and are generally reported at amortised cost. However, given that the Group has banking operations in 33 African countries and exposure to over 20 currencies, the economic values of these positions may vary due to changes in market conditions, primarily fluctuations in interest and foreign exchange rates. The risk of adverse changes in the economic value of our non-trading positions is managed through the Bank's Asset and Liability Management activities.

The Group currently uses repricing maturity gap analysis to measure exposure to interest rate risk in its non-trading book. Through this analysis, subsidiary banks compare the values of interest rate sensitive assets and liabilities that mature or reprice at various time periods in the future. In performing this analysis, the Group may make assumptions about the behaviour of assets and liabilities that do not have specific contractual maturity or repricing dates.

An interest rate sensitive gap is positive, or a gap profile is said to be asset sensitive, when the amount of interest rate sensitive assets exceeds that of interest rate sensitive liabilities maturing or repricing within a specified time period. It is negative (liability sensitive) when the amount of interest rate sensitive liabilities exceeds that of interest rate sensitive assets maturing or repricing within a specific period.

In general, an asset sensitive institution may expect net interest income to increase with rising market interest rates and decline with falling market interest rates. Conversely, a liability sensitive institution can expect net interest income to increase when market interest rates are falling and to decline when market interest rates are increasing.

Trading book risk management

The Group uses a number of tools to manage trading risk, including:

- Risk limits, set in terms of the notional size of net open positions by currency and subsidiary;
- Management Action Triggers;
- Stop Loss Limits; and
- Value at Risk.

The Group measures and manages price risks in its foreign exchange and fixed income trading portfolios based on Value at Risk ('VaR') calculations and stress testing. VaR represents the potential loss in the market value of a position or portfolio at a given confidence interval level and over a pre-defined time horizon and is used for risk monitoring and economic capital assessment.

The following table shows basic statistics of the 1-day VaR for the foreign exchange and fixed income trading positions in 2023. The average VaR decreased from $2.85 million in 2022, to $0.9 million in 2023, largely driven by a reduction in the size of the trading portfolio in Ghana and Nigeria.

VaR as of December 2023

Risk category	Low	Average	High
Foreign exchange risk	133	298	502
Interest risk	320	850	1,503
Total	**347**	**901**	**1,585**

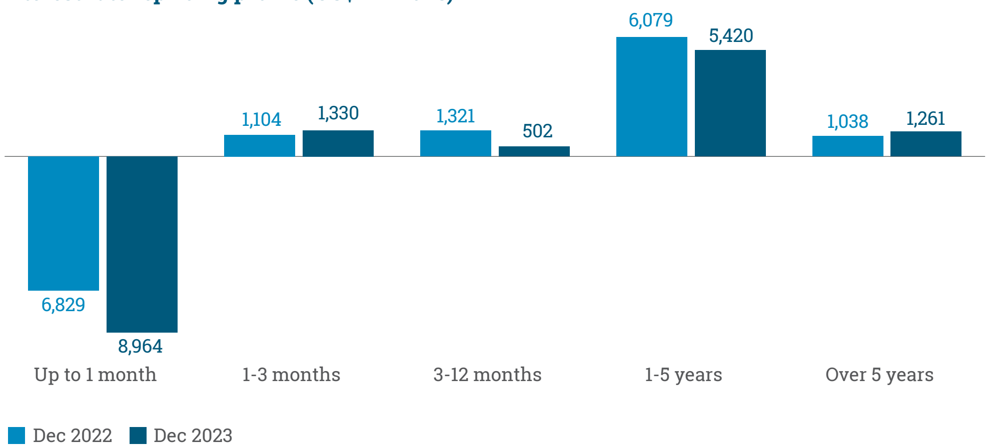
Interest rate risk

The repricing profile of the Group as of 31 December 2023, shows that the Group's balance sheet is liability sensitive in the up to 1-month bucket and asset sensitive for the rest of the tenors.

Consequently, under rising/(falling) interest rate environments, the expected negative/(positive) impact on net interest income at the negative gap exposure in the up to 1-month bucket due to its size more than offsets the positive/(negative) impact on net interest income accruing from the longer buckets which are asset sensitive.

Specifically, based on the repricing profile as of 31 December 2023, it is estimated that a 100 basis points decrease/(increase) in rates across the maturity buckets is expected to increase/(decrease) one-year earnings by approximately $35 million ($37 million as of December 2022).

Interest rate repricing profile (US$ millions)

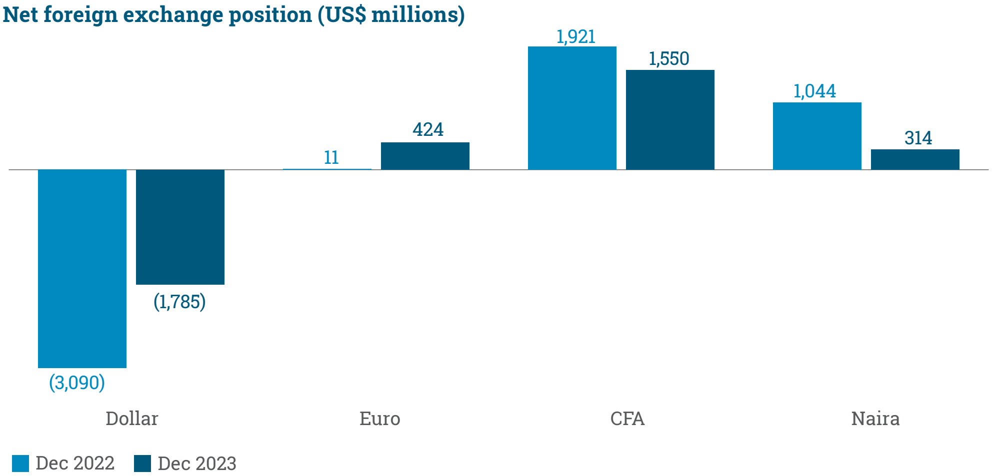


Foreign exchange risk

Ecobank is exposed to foreign exchange rate fluctuations in 20 currencies. The Group continues to have significant exposure to the CFA franc, the US dollar and the Nigerian naira, at the end of 2023. It is important to note that the CFA franc is a common currency for 14 out of the 40 countries in which the Group operates, and it is pegged to the Euro under financial agreements between the French Treasury and countries in the Francophone West Africa and Central Africa regions.

As of 31 December 2023, the Group had a net on-balance sheet long open position in EUR of $424 million (net short position of $11 million in December 2022), a net short open position in USD of $1,785 million (net short position of $3,090 million in 2022) and a net long open position in CFA franc of $1,550 million ($1,921 million long position in December 2022) as shown in the graph below.

Net foreign exchange position (US$ millions)

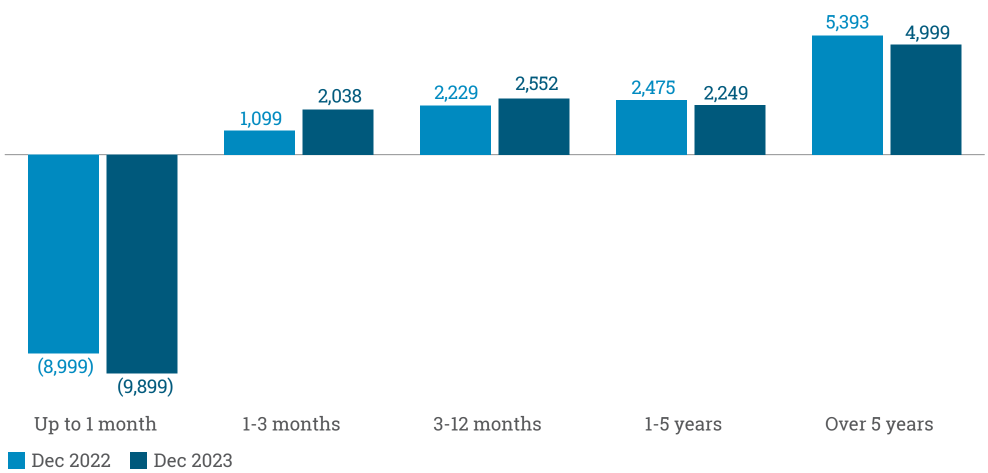


Liquidity risk

Liquidity risk is currently managed using a balance sheet approach that estimates all sources and uses of liquidity, including loans, investments, deposits and borrowings, as well as contingent off-balance sheet exposures. Subsidiary treasurers are generally responsible for formulating their liquidity and contingency planning strategies and identifying, monitoring and reporting on all liquidity risks. The main tools used for liquidity risk measurement are the contractual and behavioural maturity gaps, ratio analysis and stress testing.

As of 31 December 2023, the Group was exposed to liquidity risk for maturities of up to one month as shown in the graph below. This was due mainly to the overnight contractual maturity of current and savings deposits which accounted for over 79% of total deposits and are included in this maturity bucket. However, the risk is mitigated by the stable nature of these deposits from a behavioural perspective and the Group's ability to pledge its robust investment portfolio for cash at central banks.

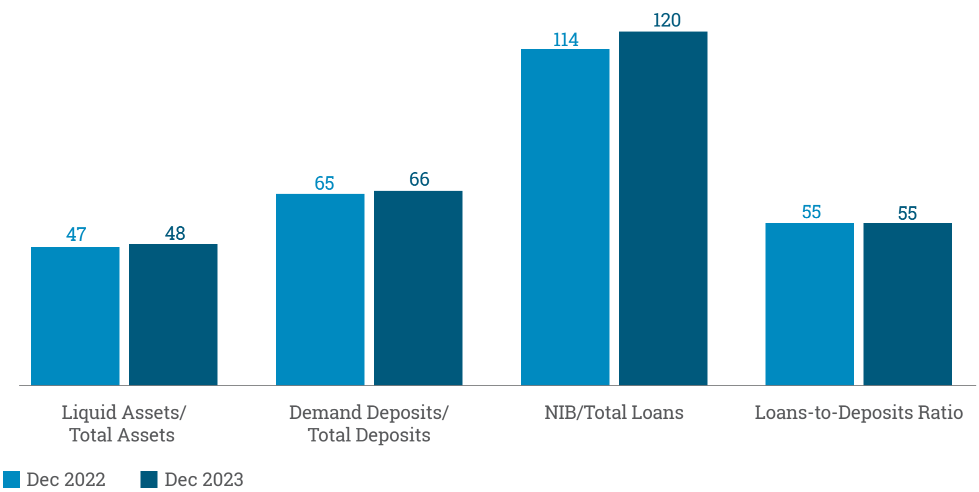
Contractual liquidity maturity gap (US$ millions)



The Group liquidity position continued to improve during the period. The Loans-to-Deposits ratio (LDR) remained steady at 55%, while the Liquidity Ratio (Liquid Assets/Total Assets) increased marginally from 47% to 48% between December 2022 and December 2023.

The ratio of Demand Deposits/Total Deposits increased from 65% as of December 2022, to 66% as of December 2023 and the ratio of Non-interest-bearing deposits (NIB) increased marginally from 114% to 120% over the period.

Key liquidity indicators (per cent)



The Group also conducts periodic stress tests to measure its immediate liquidity risk and to ensure that it has enough time to respond to potential crises. The stress test covers a time horizon of up to 30 days and estimates liquidity risk under various scenarios, including a name-specific scenario and a general market crisis with different levels of severity.

The analyses assume that the Group does not reduce its lending activities. This means that existing lending activities are maintained and require funding. Most of the Group's unencumbered Treasury bill and bond holdings can be used as collateral for loan facilities with central banks and are thus considered as very liquid. Scenario-specific haircuts are applied on deposit outflows, loan reimbursement and the Treasury bill and bond portfolio. Potential liquidity outflows from unutilised, but irrevocable, loan commitments are also factored in.

The degree of possible refinancing of funding sources varies depending on the scenario in question as well as on the specific funding source. To analyse the stability of funding, the Group breaks down deposits by business unit, currency, core/non-core status, maturity, geography and Ecobank's position in each market.

The Group monitors the diversification of funding sources by product, currency, maturity and counterparty to ensure that its funding base provides the best possible protection if the markets come under pressure.

The Group Liquidity Coverage Ratio (LCR) remained above 100% as of 31 December 2023.

4.3 Operational risk and internal control

Group Internal Control and Operational Risk Management continue to proactively work with the businesses and functional units at the Group and subsidiary levels to embed a strong operational risk and control culture across the Group.

Operational risk governance

Group Operational Risk Management (GORM) is supported by dedicated Operational Risk and Internal Control managers in all affiliates. Operational Risk Managers across the Group drive and embed the GORM Framework as well as ensure compliance by the first and second lines of defence.

The Group's Board of Directors and Chief Executive Officer play critical operational risk oversight roles through the Board Audit, Internal Control and Compliance Committee (BAICCC) and the Board Finance, Risk and Credit Committee (BFRCC). These committees have increased their focus on operational risk-related events to drive proactive implementation of preventive and mitigating controls. The Group Chief Risk Officer has management oversight of the Group Operational Risk/Internal Control Function.

The Group's senior management implements and disseminates the Operational Risk Management Policy and the expected standards of conduct to the various levels of the organisation. All business, control and support functions are responsible for continuous risk identification and assessment, control design and monitoring, and escalation to senior management.

The Ecobank lines of defence

Group Operational Risk Management/Internal Control proactively engage all business and functional units across the Group to drive a strong Operational Risk Management culture and framework.

Across all the affiliates of the Group, the three lines of defence framework is employed to drive ownership, timely and proactive risk identification, management and mitigation of actual and potential risks across the organisation.

01 First Line of Defence: Business and functional units/departments

Each business unit owns its risks and has the responsibility and accountability for directly identifying, assessing and mitigating those risks.

02 Second Line of Defence: Control Functions (Risk Management, Operational Risk, Internal Control, Compliance, Finance, Legal, etc.)

The control functions monitor and facilitate the implementation of effective risk management practices and assist risk owners in reporting adequate risk-related information up and down the organisation.

03 Third Line of Defence: Internal Audit

Internal Audit provides independent assessment and evaluation of the control environment, assurance to the Board and senior management on the effectiveness of the first and second lines of defence, and the effectiveness of how the organisation assesses and manages its risks.

In addition to the three lines of defence framework implemented across affiliates, the Ecobank Group continues to devote serious and sustained efforts to align activities of affiliates and subsidiaries with the governance models and exigences of the varied regulatory bodies that govern the activities.

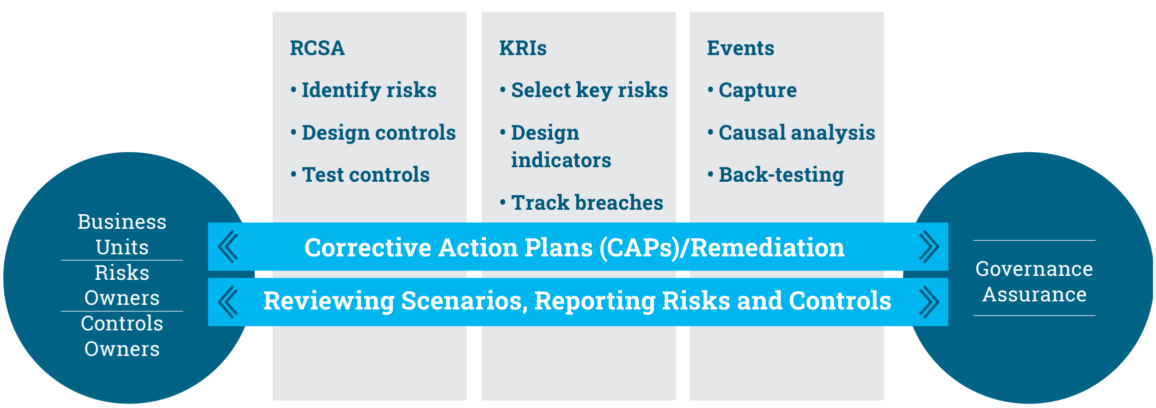
Operational risk reporting

Risk reporting across the organisation moves from affiliate level to Group level and then to the Group Board level where material issues are reported. This is to ensure that all levels of management have adequate oversight and information over control breaches and lapses within the organisation. Reporting is channelled through the Risk and Control Governance Committees at Departmental, Affiliate, Regional and Group level to increase Executive, Regional and local management oversight of operational risks.

Group Operational Risk Management Framework (GORMF)

The Group Operational Risk Management Framework is based on Risk and Control Self-Assessment (RCSA), Key Risk Indicators (KRIs), Loss Events Management and Remediation. The GORMF continues to evolve to align with Basel and industry standards and other regulatory requirements.

Operational Risk Management Framework



Risk and Control Self-Assessment

The Risk and Control Self-Assessment (RCSA) programme is a core component of the Group's Operational Risk Management Framework and has maintained its focus on the enhancement of control performance across all entities of the organisation.

The Group's RCSA programme facilitates a comprehensive and consistent identification of risks (inherent and emerging risks), control gaps and weaknesses across the business and functional units Group-wide. It also provides an avenue for monitoring of the identified risks and the continuous assessment, testing and improvement of related mitigation actions.

The 2023 Enterprise Risk Map was drafted and approved by the ETI Board. The Risk Map codifies the existing top key risks and controls in one document and aligns with the Group's Risk and Audit methodology relating to risk assessment.

The Risk Register, which is the key component of the Risk Map is composed of the approved top risks and controls, a subset of the Process, Risk and Controls (PRC) as designed by each business and function in line with the Annual Risk Assessment (ARA) process as part of the Risk and Control Self-Assessment (RCSA) framework. The Annual Risk Assessment aims to review and update the firm's key risks in line with changes in business objectives, processes, systems and regulatory environment.

The Risk Map:

- provides the institution with continuous monitoring tools focusing on key risks and controls, deriving from the RCSA process; and
- enables the ability to provide executive management with a snapshot view of the enterprise risks, based on the approved risk assessment methodology.

Control issue monitoring and remediation

Group Operational Risk/Internal Control continues to work closely with other departments to ensure that control weaknesses identified from sources such as RCSA control testing, risk events, internal and external audit reviews, regulatory assessments, information security reviews, peer assessments, internal control and compliance reviews are centralised and appropriately monitored from inception to remediation.

The Group's Electronic Corrective Action Plan (eCAP) system serves as a central repository and platform to track and manage control issues from all sources. The system provides transparency on meaningful metrics, improved Group Management visibility on control breaches and Corrective Action Plans (CAPs) and Issue Management Statistics across the Group.

In 2023, the Group Office Internal Control/Operational Risk Management team held a series of training and awareness sessions with stakeholders across the Group to sensitise and drive effective control issue remediation.

The Group continues to leverage on the Combined Assurance activities of the control functions (Group Internal Control, Operational Risk Management, Internal Audit and Management Services, which includes Group Investigations), Risk Management, Compliance, Information Security and Finance to integrate and align assurance processes, such as the assessment of the Group's overall risk profile, review of key control issues and the monitoring of progress of remediation of key issues across the Group.

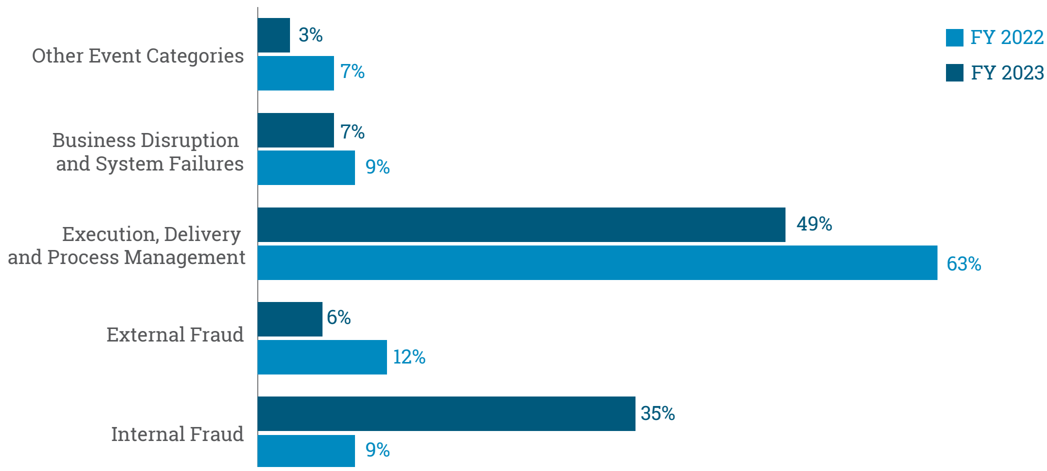
Operational loss events

In line with industry practices and regulatory requirements, the Group's operational risk losses are categorised under the seven Basel event categories: Internal Fraud, External Fraud, Employment Practices and Workplace Safety, Damage to Physical Assets, Business Disruption and Systems Failures; Execution, Delivery and Process Management, and Clients, Products and Business Practice.

Net operational risk losses recorded Group-wide for the period FY 2023 was US$11.8 million, compared to US$8.2 million in 2022, indicating a 43% increase in the overall operational risk loss for the Group. The 2023 Group Operational Risk Loss amount represents 0.57% of the Group's FY 2023 revenue, which is within the Group's risk appetite of 1% of revenue.

Internal Fraud events totalled US$1.1 million, representing 9% of the total net loss for the year; External Fraud events totalled US$1.4 million, being 12% of the total net loss for 2023. Execution, Delivery and Process Management events totalled US$7.4 million, representing 63% of the total net loss for the period. Business Disruption and Systems Failure losses totalled US$1.1million or 9% of the total net loss. Other Events Category totalled US$869,000, or 7% of the total net loss.

Net operational losses – percentage of total



The firm continues to implement activities such as fraud and database monitoring activities, success transfers/ lessons learnt, insurance/recoveries, combined assurance activities with the other control functions, and enhanced operational risk loss reporting and analysis, all aimed at driving and sustaining reductions in the Group's operational loss profile.

Technology disaster recovery capability

Data protection across the data centres (Accra and Lagos Data Centres) and the integrity of the data have been tested by both planned and unplanned movement of service from Accra to Lagos and vice versa.

The Technology Disaster Recovery test was able to demonstrate that the Group's centralised technology services could be recovered and run from the second Data Centre.

Enhanced cybersecurity

The cybersecurity threat landscape is evolving with emerging threats. In accordance with Ecobank's strategy to provide secure, resilient and stable services to its customers, Information Security has put in place the following security mechanisms:

- Security controls to protect all digital channels offered to customers to ensure confidentiality, integrity and availability.
- Continuous review of the threat landscape and existing controls through annual Group-wide Information Security risk management and third-party risk management.
- Implemented threat defence security capabilities to measure and significantly reduce the mean time to detect and respond to security incidents.
- Centralised and automated 24/7/365 monitoring of security events and responding to incidents across the Ecobank Group.
- Continuous compliance regarding industry and regulatory standards like PCIDSS (Cardholder Data Environment), ISO 27701 (Information Security Management System), ISO 22301 (Business Continuity Management System), ISO 27701 (Privacy Information Management System) and SWIFT CSP (SWIFT's Customer Security Programme).
- Continuous discovery of sensitive and critical data, and implementation of controls to secure such data.

Business Continuity Management (BCM)

Ecobank's BCM Programme is based on international BCM standards and principles. It outlines core business and function procedures for the recovery or relocation of operations in response to various disruptions. These procedures provide information for key Ecobank personnel to:

- ensure staff safety and protect Ecobank property;
- recover and resume operations to ensure business continuity;
- carry out situation analysis and instigate appropriate action;
- provide client access to critical applications;
- establish communications with our employees, clients and regulators; and
- safeguard Ecobank's records and intellectual property.

Subsidiaries and business units are guided to develop, maintain and test comprehensive business continuity plans (BCPs) regularly. The BCPs are designed to ensure the provision of critical business processes and applications within predefined recovery time frames.

The BCM Programme has assigned roles and responsibilities, which are detailed in corporate policy and standards. This results in a unified approach throughout Ecobank and effective business continuity capabilities. Business continuity specialists manage the BCM Programme at both local and Group levels.

Group BCM provides expertise and guidance to all Ecobank affiliates in developing, implementing, testing and maintaining effective BCPs and recovery procedures.

Compliance and regulatory risk

As a result of its pan-African footprint, Ecobank has to deal with significant regulatory requirements in each country in which it operates. These regulatory demands could negatively impact its operations, especially in the face of an anaemic world economy and an unrelentingly competitive business environment. Ecobank continues to be impacted by a significant number of new regulatory requirements from multiple sources. Therefore, management continues to provide attention and resources to ensure that regulatory reforms and their related requirements are embedded in our policies, processes, products and operations.

Ecobank has implemented robust processes to ensure that all business units comply with all relevant laws and regulations, with the support of its Compliance department, which advises business and support functions on regulatory compliance across the footprint. The Group has also designed a compliance programme to ensure that its activities are constantly aligned with the regulatory requirements of all the countries in which it is present. Our primary duties are to ensure that the businesses comply with local regulations, that identified risks are mitigated with appropriate measures and that the Group's risk appetite is adhered to.

Know-Your-Customer (KYC) and transaction monitoring

The quality of information collected from our customers is critical to improving customer service and to designing appropriate products and services. Our policies, therefore, require the maintenance of updated customer information within our files and systems.

The Compliance department ensures that our network is secured and protected against money laundering, corruption or terrorism financing (AML/CFT). Ecobank monitors customers' transactions to identify suspicious transactions with an automated system. In addition, Ecobank closely collaborates with local law enforcement authorities and financial intelligence units (FIUs), who are leading the fight against money laundering and terrorism.

4.4 Environmental and social (E&S) risk

E&S Risk Management

Ecobank recognises the importance of managing social and environmental risks in its corporate operations. To guide decision-making, the Bank has developed an Environmental and Social Risk Policy and Procedure based on industry best practices and principles, such as the Equator Principles, IFC and OECD Guidelines.

The aim of the Bank's environmental and social risk management programme is to reduce negative impacts on the environment and society. The policy outlines Ecobank's commitment to identifying, evaluating and mitigating environmental and social risks associated with its commercial activities.

Ecobank has implemented a stringent due diligence procedure to ensure that all transactions comply with the environmental and social risk management policy. This procedure includes defining the transaction's nature and scope, evaluating its potential social and environmental concerns, assessing the customer's processes for managing social and environmental risks, and creating effective risk mitigation strategies.

All transactions, new and old, undergo screening as part of this procedure. Transactions are monitored and reviewed to ensure adherence to the Bank's environmental and social risk management policy.

In addition to the environmental and social risk policies, Ecobank has an exclusion list policy. The policy identifies sectors that have significant detrimental effects on the environment and society. Transactions in these sectors are not financed unless the Bank grants special permission.

The excluded sectors include tobacco, weapons, gambling, logging in primary tropical forests and uranium mining. These sectors were chosen due to their harmful effects on the environment and public health.

The exclusion list policy aligns with Ecobank's dedication to sustainable development and ethical banking. It encourages sustainable business practices while reducing negative impacts on the environment and society.

Transactions that fall under the exclusion list require extraordinary permission. The Bank grants such permission only after a thorough due diligence procedure verifies that sufficient risk mitigation measures are in place. By using this strategy, the Bank ensures that its business practices reflect its commitment to sustainable development and responsible banking.

Risk Management

Role and responsibilities of the E&S team

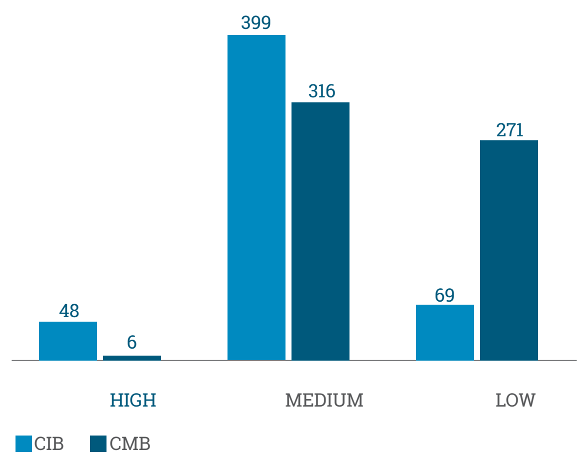
The Ecobank's E&S team is responsible for overseeing the Bank's Environmental and Social Risk policies and ensuring that the Bank operates in a sustainable and responsible manner. The team has several key functions, which include:

- Developing and maintaining policies for sensitive industry sectors: The E&S team is responsible for developing and updating policies for industry sectors that are known to have a high environmental or social risk. These policies help to guide the Bank's lending practices and ensure that the Bank is not contributing to negative impacts on the environment or society.
- Assessing transactions for environmental and social risk: The E&S team reviews all transactions that the Bank is considering to ensure that they are aligned with the Bank's environmental and social risk policies. This includes conducting due diligence on potential clients to assess their environmental and social risks and developing strategies to mitigate those risks.
- Monitoring high-risk clients to ensure compliance with sustainability criteria: The E&S team also monitors high-risk clients to ensure that they are meeting the Bank's sustainability criteria. This involves ongoing monitoring and reporting to ensure that clients are meeting their commitments and that the Bank is not exposed to undue risk.
- Spreading E&S awareness throughout Ecobank: The E&S team is responsible for promoting awareness of environmental and social risks throughout the Bank. This includes providing training and education to staff and developing communication strategies to ensure that all employees are aware of the Bank's policies and commitments.
- Participating in global and local advisory groups: The E&S team also participates in several global and local advisory groups. These groups help to ensure that all banks are operating to the same high standard and that best practices are shared across the industry.

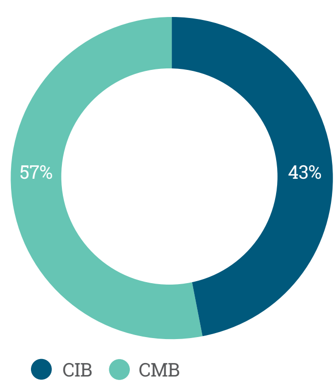
E&S portfolio review

In 2023, the Environmental and Sustainability (E&S) team reviewed 1,109 transactions for environmental and social risks. We identified and managed E&S risks in several potential transactions and portfolio companies, and in some cases decided to forgo participation due to the high levels of risk that could not be mitigated or that did not align with our policies or sustainability commitments.

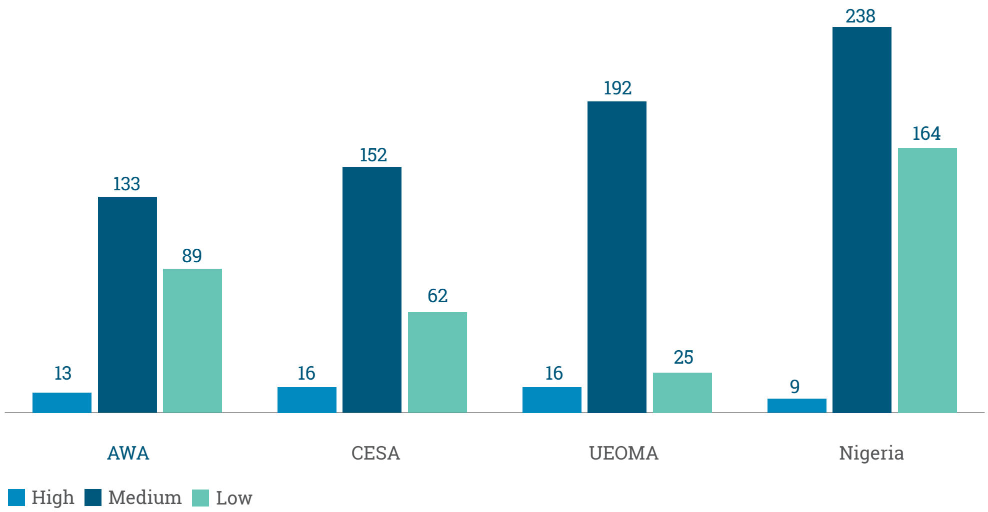
Environmental and social risk transactions screened



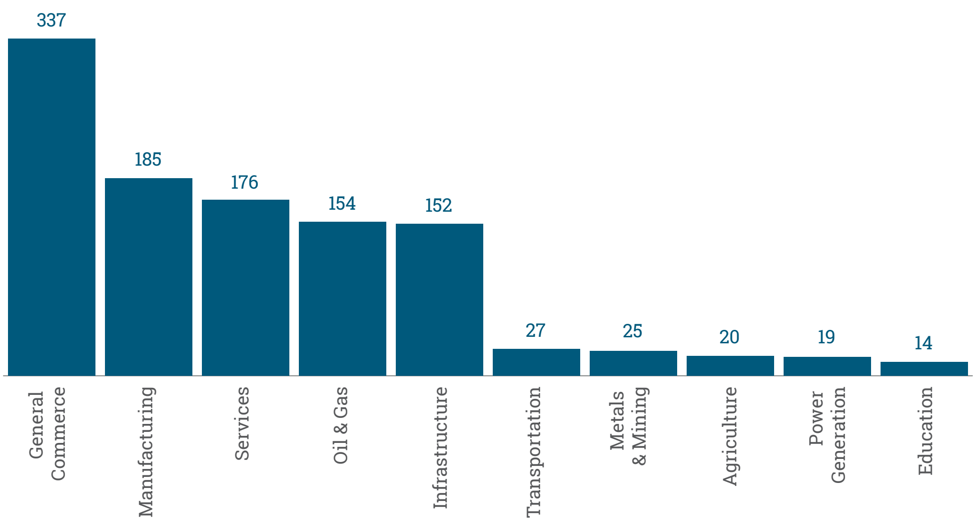
E&S Risk Transactions by Business Unit



E&S risk transactions screened by region



E&S risk transactions by sector or industry



Sustainable Finance Framework

Ecobank's Sustainable Finance Framework, established in 2021, serves as a critical guide for the Bank's activities concerning sustainability bonds, loans and other debt instruments. It is aligned to the following standards like the ICMA Green Bond Principles, Social Bond Principles, as well as the LMA Green Loan Principles and Social Loan Principles, to ensure transparency and accountability in Ecobank's sustainable financing endeavours.

The framework encompasses several crucial elements, including the utilisation of proceeds, project evaluation and selection processes, management of funds and reporting. These pillars form a robust foundation, ensuring that resources are channelled towards environmentally beneficial projects that align with the specific criteria and objectives outlined in the framework.

Bonds issued under this Framework may take the form of public transactions or private placements, in bearer or registered format, and may take the form of senior unsecured or subordinated issuances. Such bonds and any loans entered into under the Framework will be standard recourse-to-the-issuer obligations and investors will not bear the credit risk of the underlying allocated eligible asset exposures.

Sustainable Finance Working Group

Ecobank's Sustainable Finance Working Group (SFWG) is responsible for governing and implementing the initiatives set out in the Framework, including the criteria for and the selection of eligible projects, the management of proceeds, reporting and external review.

The project evaluation and selection process ensures that the proceeds of any Sustainable Finance Instruments are allocated to finance or refinance projects that fall within the eligible categories and meet the eligibility criteria.

The Sustainable Finance Working Group is chaired by the Group Chief Credit Officer and comprises management representatives from the risk function, Commercial Banking and Corporate and Investment Banking for the selection and evaluation of the eligible assets.

The SFWG meets at least quarterly each year to:

- Ratify eligible Green and/or Social Projects, which are initially proposed by the constituent team members.
- Undertake regular monitoring of the asset pool to ensure the eligibility of Sustainable Projects with the criteria set in section 2.1 of the Framework, Use of Proceeds, whilst replacing any ineligible Green and/or Social Projects with new eligible Green and/or Social Projects. Should a project be considered by the SFWG to be no longer meeting the criteria detailed above or become subject to postponement, cancellation or divestment, Ecobank is committed to reallocate proceeds on a best-efforts basis to ensure the full amount of proceeds are allocated to eligible projects. Such monitoring will be done throughout the life of the sustainable instruments.
- Verify compliance of the green/social projects with ETI's Environmental and Social Risk (E&S) Policy, as laid out in the Environmental and Social (E&S) Policy and Procedure Manual (ESPPM).
- Facilitate regular reporting on any Sustainable issuance in alignment with our Reporting commitments.
- Manage any future updates to this Framework.
- Ensure that the approval of Eligible Green and/or Social Projects will follow the Company's existing credit/loan/investment approval processes.

All loans and investments are required to comply with the Group's standard credit process and with all applicable regulatory requirements, with the Group's overall and sustainability strategy and with the Group's environmental and social risk management policies and exclusion lists in order to constitute Eligible Projects.

Sustainability partnerships

Ecobank partnered with Proparco, a subsidiary of the AFD Group, to receive support for critical development sectors. Proparco's technical assistance programme will help Ecobank align its policies with its climate strategy, environmental and social risk goals, as well as its five-year Sustainability Strategy and Roadmap.

This collaboration empowers Ecobank to implement sustainable objectives and generate significant impact.

5. Capital management

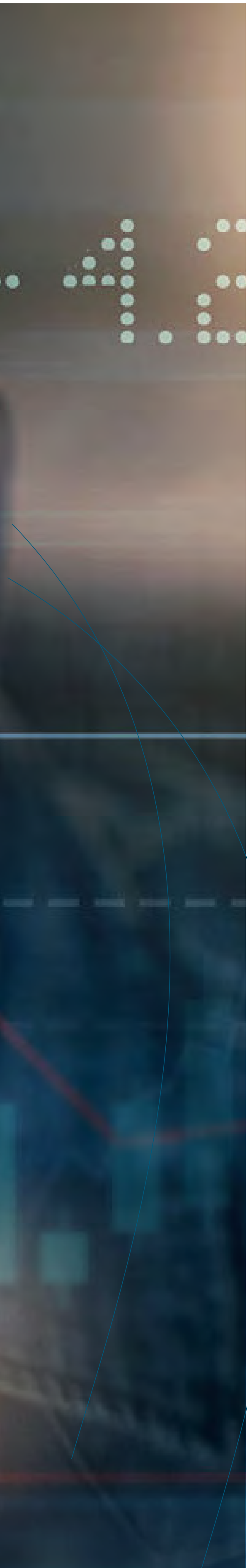
5.1. Group Level

The Group Capital Management Policy aims to maintain compliance with all regulatory capital requirements and support the Group's credit rating objectives. It also establishes the principles by which capital is allocated to business activities in order to provide an optimal return to the providers of capital.

On a consolidated basis, the Group is required to comply with Basel II/III capital requirements set by the Central Bank of West African States (BCEAO) for banks headquartered in the UEMOA zone. On a standalone basis, banking subsidiaries are required to maintain minimum capital levels and minimum capital adequacy ratios which are determined by their national or regional regulators.

As of 31 December 2023, the Group was compliant with BCEAO regulatory minimum capital adequacy ratios.

05 Business and Financial Review



Astute.
Decisive.
Proactive.

A better way.
A better Africa.

Business and Financial Review

Economic outlook

Overall, the world economy held up in 2023, despite significant monetary tightening and lingering policy uncertainties. Normalised consumption from China and a pick-up in US growth, outweighed a sharp slowdown in Europe following the regional energy shock in 2022. Robust labour markets supported consumer spending, while inflation gradually eased in most regions on the back of lower energy and food prices, allowing central banks to slow or pause interest rate hikes especially in the last quarter. For sub-Saharan Africa (SSA), high debt burdens and interest rates narrowed fiscal space and heightened financing needs. According to the IMF, "a big funding squeeze" tied to the drying up of aid and access to private finance hit the region and negatively impacted growth, which is estimated to have decelerated to 2.9% in 2023 (versus 3.7% in 2022). The funding squeeze also negatively impacted foreign currency liquidity, resulting in notable currency weakness across the region – except in the euro-linked CFA franc zone. During the year, the string of social unrest and military coups, especially in the Sahel region, also heightened political risk, contributing to bearish sentiments on SSA sovereigns.

Performance highlights

The Group achieved strong results in a difficult operating environment: we generated a return on tangible shareholders' equity of 24.9% and increased profit before tax by 8%, or 34% at constant currency, to $581 million. Net revenue exceeded the $2.0 billion mark for the first time since 2015, increasing by 11%, or 31% at constant currency, to reach $2.1 billion, demonstrating proof of early successes of our five-year Growth, Transformation and Returns (GTR) strategy. Operating efficiency improved with a record cost-to-income ratio (CIR) ratio of 53.9% (vs 56.4% prior year) driven by positive operating jaws (revenue growth exceeding expense growth) of 5% year-on-year (YoY). The net impairment charge was high at $330 million (up 67% YoY or $132 million) primarily due to material one-off charges including a net modification loss of $26 million booked in respect of restructured Ghana domestic bonds as well as management's decision to early accrue for emerging risks including a possible additional impairment on the Government of Ghana (GoG) Eurobond pending the restructuring proposal from the Ghana Government. Cost of risk stood at 1.28% reflecting portfolio quality. The balance sheet weakened due to steep currency depreciations – especially in the Nigerian naira, Zimbabwean dollar and Malawian kwacha – but remained liquid, funded by a strong current account and savings account (CASA) deposit ratio of 83% (vs 82% prior year). Asset quality was stable with a non-performing loan (NPL) ratio of 5.4% (vs 5.2% prior year) and an adequate NPL coverage ratio of 86.5% (vs. 86.5% in 2022). Overall, attributable profits of $288 million (vs $286 million prior year) reflected higher return on tangible equity (ROTE) of 24.9% (vs 21.1% prior year) which was above the cost of equity of 16%.

Financial result highlights

Year ended 31 December (in thousands of US dollars, except per share data and ratios)	2023	2022
Operating income (net revenues)	2,063,666	1,861,797
Pre-provision, pre-tax operating profit	951,111	811,416
Profit before tax and net monetary loss	621,172	573,350
Profit before tax	581,362	540,029
Profit for the year	406,923	366,691
Profit attributable to ordinary shareholders	287,824	286,430
Diluted earnings per ordinary share, EPS (US cents)	1.170	1.165
Tangible book value per ordinary share, TBVPS (US cents)	4.04	5.30
Gross loans and advances	11,061,809	11,521,012
Customer deposits	19,973,948	20,813,313
Total equity	1,734,455	2,027,015
Total assets	27,230,165	29,004,169
Non-performing loans ratio	5.4%	5.2%
Net interest margin	5.4%	4.9%
Return on equity (ROE)(1)	23.5%	19.6%
Return on tangible equity (ROTE)(2)	24.9%	21.1%

(1) ROE is computed using profit attributable to ETI (parent company) shareholders divided by the average end-of-period ETI shareholders' equity.
(2) ROTE is computed using profit attributable to ETI shareholders divided by the average end-of-period tangible shareholders' equity. Tangible shareholders' equity is ETI shareholders' equity less non-controlling interests, goodwill and intangible assets.

Operating income (net revenue)

Net revenue, the sum of the net interest income (NII) and non-interest revenue (NIR), was $2.06 billion, an increase of $202 million or 11% (+31% at constant currency), compared with 2022. For the first time since 2015, net revenues exceeded the $2.0 billion mark, demonstrating proof of early successes in some of the strategic choices we are taking to diversify and grow our revenues under our GTR strategy. For example, Consumer and Commercial Banking businesses increased their share of Group-wide revenues and profits. The higher interest rate environment benefited net revenue growth, particularly in AWA and Nigeria, where net interest margins increased and there were significantly higher fees from treasury services, solutions and cash management. Across business segments, Commercial Banking (CMB) led the growth in net revenue, increasing by 22% to $573 million, which was helped by significant growth in FICC and cash management. Consumer Banking's (CSB) net revenue grew by 11% to $523 million, driven by deposit margins and payments. While net revenues in Corporate and Investment Banking (CIB) rose by 5% to $1,034 million, driven by higher rates and modest growth in earning assets.

Income statement analysis

Operating income (net revenue) Year ended 31 December (in thousands of US dollars)	2023	2022	Change %
Net interest income (NII)	1,168,652	1,013,703	15%
Non-interest revenue (NIR)	895,014	848,094	6%
Net revenue	**2,063,666**	**1,861,797**	**11%**
Contribution of NIR to Net revenue	43.4%	45.6%	

Net interest income

Net interest income (NII) for 2023 was $1,169 million, increasing by 15% or 36% at constant currency compared with a $1,014 million in 2022, reflecting higher interest income on modest loan growth and investment securities balances. Management action on assets/ liability repricing and the rise in market interest rates also impacted positively on margins across the regions. Net interest income is the interest earned on loans and advances to customers and other financial institutions, debt securities and other interest-earning assets, minus the interest paid on customer deposits, other deposits, and short-and long-term borrowings. Interest income earned on loans and advances to customers and other financial institutions, debt securities and other interest-earning assets increased by $249 million, or 15%, to $1.87 billion. This was primarily driven by the net impact of higher interest rates, especially in AWA and Nigeria, and an increase in investment securities balances in UEMOA. Interest income of approximately $39 million earned on the GoG Eurobonds was excluded in 2023 because of the ongoing and yet-to-be-concluded restructuring discussions with commercial bondholders. Hence, they had a net adverse impact on NII. On the other hand, interest expense on customer deposits, other deposits, and short-and long-term borrowings increased by $94 million, or 16%, to $697 million, driven by the higher rate environment, which drove competition within deposit markets. As a result, the cost of funding, or the average interest yields paid on funds, increased by 29 basis points to 2.9% in 2023. Hence, the NIM associated with the Group's funding business, which is technically the spread earned on transforming interest-bearing liabilities into interest-earning assets, improved to 5.4% from 4.9% in 2022.

Net interest income (NII) and margin

Year ended 31 December (in thousands of US dollars)	2023	2022	Change %
Interest income	1,866,085	1,617,454	15%
Interest expense	(697,433)	(603,751)	16%
Net interest income (NII)	**1,168,652**	**1,013,703**	**15%**
Average interest-earning assets	21,609,337	20,822,744	4%
Gross yield on interest-earning assets	8.6%	7.8%	
Less: gross yield on interest-bearing liabilities	2.9%	2.6%	
Net interest spread	5.7%	5.2%	
Net interest margin	**5.4%**	**4.9%**	

Non-interest revenue

Non-interest revenue (NIR) increased by $47 million, or 6%, or 24% at constant currency, to $895 million. The associated NIR ratio (non-interest revenue as a percentage of total net revenue) was 43%. The NIR ratio reflects revenue diversification and, more importantly, sources of revenue that are stable, recurring and less volatile, such as fees and commissions from payments, cash management, CASA deposits and trade finance. Moreover, NIR for 2023 includes one-off income of $20 million from Asset Management Corporation of Nigeria (AMCON) recovery in June 2023. Net fees and commission income increased by $5 million to $476 million, thanks to higher fees from merchant acquiring, wholesale payments, cards, and corporate and trade finance. Fees generated from trading income were $361 million, rising by $51 million, driven by robust customer-driven FX currency trading activity, partially offset by a decrease in fixed-income trading.

Non-interest revenue (NIR)

Year ended 31 December (in thousands of US dollars)	2023	2022	Change %
Fee and commission income			
Credit related fees and commissions	135,197	140,871	(4)%
Corporate finance fees	10,452	18,329	(43)%
Portfolio and other management fees	10,348	13,032	(21)%
Brokerage fees and commissions	5,144	9,140	(44)%
Cash management and related fees (*)	281,111	236,046	19%
Card management fees	84,351	94,733	(11)%
Other fees	12,973	21,461	(40)%
Total fees and commissions income, gross	**539,576**	**533,612**	**1%**
Less: fees and commissions expense	(64,018)	(62,915)	2%
Total fees and commissions income, net	**475,558**	**470,697**	**1%**
Trading income and foreign exchange gains			
Foreign exchange translation/trading gains	365,315	291,017	26%
Trading (losses)/income on securities	(4,075)	19,589	(121)%
Trading income and foreign exchange gains	**361,240**	**310,606**	**16%**
Net gains from investment securities	9,560	13,230	(28)%
Other operating income	48,656	53,561	(9)%
Total other revenue	**58,216**	**66,791**	**(13)%**
Non-interest revenue (NIR)	**895,014**	**848,094**	**6%**
NIR ratio	**43.4%**	**45.6%**	
Operating income/Net revenue (NII + NIR)	**2,063,666**	**1,861,797**	**11%**

* Cash management and related fees is the sum of: Funds transfer commissions, Euro commissions, Rapidtransfer, Current account servicing, draft issuance commissions, Western Union commissions, Internet and SMS banking commissions, mobile money revenues, other cash management commissions, Money Gram commissions, RIA commissions, WARI commissions and Bancassurance commissions.

Operating expenses

Operating expenses incurred during 2023 were $1.11 billion, increasing by 6%, or 22% at constant currency. The increase in operating expenses was driven by a mix of inflationary-driven costs, staff-related costs and costs associated with business growth, distribution and technology. Specifically, communications and technology, other administrative, insurance, and professional and legal costs were the primary drivers of the increase, partially offset by decreases in AMCON costs, tax and depreciation and amortisation expenses. The cost-to-income ratio, a measure of efficiency, improved to 53.9% in 2023 from 56.4% in 2022, reflecting growing positive jaws (the differential of the year-on-year percentage changes in net revenues and operating expenses). The positive jaw ratio was 4.9% in 2023 compared with 4.5% in 2022.

Operating expenses

Year ended 31 December (in thousands of US dollars)	2023	2022	Change %
Staff expenses	**462,801**	**447,358**	**3%**
Depreciation and amortisation	**90,145**	**101,282**	**(11)%**
Communications and technology	178,242	156,065	14%
Professional and legal fees	75,270	72,620	4%
Rent and utilities	30,465	28,291	8%
Repairs and maintenance	20,830	19,206	8%
Insurance	39,757	35,658	11%
Banking resolution sinking fund cost (AMCON)	30,019	39,264	(24)%
Others(1)	185,026	150,537	23%
Other operating expenses	**559,609**	**501,741**	**12%**
Total operating expenses	**1,112,555**	**1,050,381**	**6%**
Cost-to-income ratio	**53.9%**	**56.4%**	

(1) Others include operational losses and fines, advertising and promotion, business travels, supplies and services, fuel, etc.

Pre-provision, pre-tax operating profit

Pre-provision, pre-tax operating (PPOP) is the sum of net interest income and non-interest revenue minus operating expenses before adjusting for impairment charges on financial assets. Management believes PPOP is an important metric as it illustrates the Company's underlying performance. In addition, it enables investors and others to assess the Company's ability to generate capital to cover expected credit losses through the credit cycle. PPOP increased by $140 million, or 17%, to $951 million, driven by diversification benefits, robust underlying revenue growth and continued expense discipline in the face of inflationary pressures.

Pre-provision, pre-tax operating profit

At 31 December (in thousands of US dollars)	2023	2022	Change %
Net revenues	2,063,666	1,861,797	11%
Operating expenses	(1,112,555)	(1,050,381)	6%
Pre-provision, pre-tax operating profit	**951,111**	**811,416**	**17%**

Impairment charges (provision for credit losses)

Group gross impairment charges on loans and advances for 2023 were $288 million, an increase of 7%, or 12% in constant currency if compared with $270 million of gross impairment charges in 2022. The higher impairment charge in the current period reflected a gradual reserve increase for expected credit losses in an uncertain macroeconomic environment. The totality of loan recoveries and the release of previously booked reserves for expected credit losses were $143 million compared with $260 million in 2022, resulting in a net impairment charge of $145 million, compared with $10 million in 2022. The higher net impairment charges on loans and advances for 2023 resulted in a higher cost-of-risk of 1.28% compared to 0.09% for 2022.

Impairment charges on other financial assets besides loans and advances were $185 million compared with $188 million in the prior year, reflecting additional impairments taken in the period on the GoG Eurobond exposure. As of year end 2023, approximately $121 million of impairment charges have been taken on the GoG Eurobonds, estimated mainly based on official pronouncements by the GoG, decreasing from $175 million at year end 2022. In addition, $26 million modification losses on the GoG debt net of impairment charge releases were due to the final settlement of the old bonds for the new bonds in February under the Domestic Debt Exchange Programme.

These impairment charges (provisions for credit losses) are amounts charged to the income statement to reflect borrower/obligor default events over the following 12 months or the expected life of the financial instrument.

Impairment charges (provision for credit losses)

Year ended 31 December (in thousands of US dollars)	2023	2022	Change %
Impairment charges on loans and advances			
Impairment charges on Stage 3 loans	257,956	242,016	7%
Impairment charges on Stages 1 and 2 loans	30,377	28,144	8%
Gross impairment charges on loans and advances	**288,333**	**270,160**	**7%**
Less recoveries and provisions no longer required	(143,279)	(259,832)	(45)%
Net impairment charges on loans and advances	**145,054**	**10,328**	**1,304%**
Impairment charges on other financial assets	184,885	187,738	(2)%
Total impairment charges on financial assets	**329,939**	**198,066**	**67%**
Cost-of-risk	**1.28%**	**0.09%**	

Taxation

Income taxes were $174 million compared with $173 million in the prior year. The effective income tax rate (ETR) was 30%, versus 32% in 2022. The Group's ETR was lower because of tax benefits from income from investing in Government bonds despite divestments in bonds of UEMOA affiliates. Income from bonds that was not taxable came mostly from affiliates in Nigeria, UEMOA and CEMAC.

Balance sheet analysis

The Group's balance sheet decreased by $1.8 billion, or 6%, to $27.2 billion in 2023. Excluding currency translation effects, the balance sheet increased by $3.6 billion, or 15%. The increase was driven mainly by net loans, which rose $1.5 billion in constant currency funded by robust growth in customer deposits. The balance sheet is liquid, mainly funded through stable customer deposits with capital levels above regulatory minimums. The following details the balance sheet commentary for 2023 compared with 2022.

Total assets

At 31 December (in thousands of US dollars)	2023	2022	Change %
Assets			
Cash and balance with central banks	3,930,723	4,293,810	(8)%
Loans and advances to banks	2,241,873	1,496,567	50%
Trading financial assets	41,278	173,195	(76)%
Treasury bills and other eligible bills	1,595,628	2,455,739	(35)%
Derivative financial instruments	78,057	137,468	(43)%
Investment securities	6,622,055	7,004,434	(5)%
Pledged assets	113,042	153,970	(27)%
Loans and advances to customers (gross)	11,061,809	11,521,012	(4)%
Less, accumulated impairment charges	(519,056)	(518,107)	0%
Loans and advances to customers (net)	10,542,753	11,002,905	(4)%
Intangible assets	55,319	84,545	(35)%
Property and equipment	588,348	754,011	(22)%
Other assets	1,421,089	1,447,525	(2)%
Total assets	**27,230,165**	**29,004,169**	**(6)%**

Cash and balances with central banks

The Group deposits cash with central banks to meet reserve requirements and facilitate liquidity management as part of the ordinary course of the Group's business. Cash and balances with central banks at amortised cost were $3.93 billion as of 31 December 2023, decreasing by $363 million, or 8%, compared with $4.29 billion in 2022, reflecting a decrease in mandatory reserve deposits with central banks (by $390 million to $1.33 billion).

Loans and advances to banks

Loans and advances to banks constitute deposits held with other banks to facilitate correspondent banking relationships and manage the Group's liquidity, interest rate risks and placements. Loans and advances to banks at amortised cost were $2.24 billion in 2023, an increase of $745 million compared with $1.50 billion in 2022.

Trading financial assets

Trading financial assets are securities that the Group holds for trading purposes and are mostly government bonds held in Ghana (53% of total Group trading financial assets), Nigeria (8%) and Central, Eastern and Southern Africa (CESA) (32%). As of 31 December 2023, holdings of trading financial assets at fair value through profit or loss (FVTPL) were $41 million, representing a decrease of $132 million, or 76%, from 2022.

Treasury bills and other eligible bills

The Group invests the deposits it does not need to loan immediately to clients in government treasuries. At the end of 2023, holdings of treasuries and other eligible bills at fair value through other comprehensive income (FVTOCI and amortised cost were $1.60 billion, $860 million less than in 2022. Of the total holdings, 25% and 45% were held in Nigeria and the CESA region, respectively.

Investment securities

These are investment securities other than treasury bills. These comprise listed and non-listed debt and equity instruments. The debt instruments are held at FVTOCI, amortised cost and the equity instruments are a mix of FVTOCI and FVTPL. As of 31 December 2023, the Group held $6.62 billion of total investment securities (of which 97% were in fixed-income securities and 3% in equities), decreasing by $382 million from the prior year. Additionally, 54% of investment securities are held in the UEMOA region.

Loans and advances to customers

The Group lends to customers from households and small businesses to regional and multinational corporates and sovereign-related entities. Loans and advances to customers are held at amortised cost. As of 31 December 2023, gross loans and advances to customers were $11.06 billion, decreasing by $459 million, or 4%. This was primarily driven by foreign currency translation effects resulting from significant weaknesses in the local currencies of some of our subsidiaries versus the US dollar, such as the Nigerian naira, Ghana cedi and Zimbabwe dollar. However, gross loans and advances increased by 15% at constant currency, reflecting underlying loan growth across business lines and regions, particularly in trade loans within Corporate Banking within UEMOA and CESA. Net loans and advances, which are gross loans net of accumulated expected credit losses (AECLs), were $10.54 billion, decreasing by $0.460 billion, or 4%. Excluding the effects of foreign currency translation, net loans grew by $1.36 billion, or 15%. Across the Group's geographical regions, net loans and advances to customers grew by $579 million in UEMOA and decreased by $188 million and $79 million in AWA and CESA, respectively. On the other hand, loans fell $549 million, or 22%, in Nigeria, primarily due to naira depreciation. In constant currency, the loan book grew 60% supported by increased loan demand from Corporate and Investment Banking and Consumer Banking clients.

The loan loss allowance for impairment charges or allowance for expected credit losses (AECL) was $519 million as of 31 December 2023, stable compared with $518 million as of 31 December 2022. The current period's AECL of $519 million is 4.7% of total gross loans, up from 4.5% a year ago. AECLs for stage 3 loans (non-performing loans) increased by $1.5 million, mainly driven by a $3 million increase in NPLs. AECL for Stages 1 and 2 loans decreased by $201 million to $199 million, reflecting a decrease in gross impairment charges in the current year.

Non-performing loans (impaired loans or stage 3 loans) were $600 million as of 31 December 2023. The associated NPLs as a percentage of total loans (NPL ratio) increased marginally to 5.4%, primarily due to the impact of currency translation. For 31 December 2022, non-performing loans were $599 million, and the NPL ratio was 5.2%. The gross impairments for expected credit losses increased by 0.3% to $519 million, partly due to proactive impairment reserve builds in line with episodic stresses in the credit risk $0.46 billion environment. The NPLs of $600 million are still more than adequately covered by the gross impairment charges (allowance for loan loss reserves), resulting in a stable NPL coverage ratio of 86.5%.

Loans and advances to customers

At 31 December (in thousands of US dollars except ratios)	2023	2022	Change %
Group			
Loans and advances to customers (gross)	**11,061,809**	**11,521,012**	**(4)%**
Less: allowance for impairment	(519,056)	(518,107)	0.2%
Loans and advances to customers (net)	**10,542,753**	**11,002,905**	**(4)%**
Non-performing loans	600,185	598,666	0.3%
Non-performing loan ratio	5.4%	5.2%	
NPL coverage ratio	86.5%	86.5%	
Gross loans by Business Segments			
Corporate and Investment Banking	8,113,433	8,534,753	(5)%
Commercial Banking	1,711,389	1,805,884	(5)%
Consumer Banking	1,236,987	1,180,375	5%
Total loans and advances to customers	**11,061,809**	**11,521,012**	**(4)%**
Gross loans by Geographic Regions			
UEMOA	5,105,770	4,505,723	13%
NIGERIA	1,985,913	2,581,448	(23)%
AWA	1,447,104	1,621,519	(11)%
CESA	1,801,691	1,898,969	(5)%
OTHERS	721,331	913,353	(21)%
Total loans and advances to customers	**11,061,809**	**11,521,012**	**(4)%**

Deposits from customers

Customer deposits are the primary source of funding for the Group, accounting for approximately 73% of total liabilities and equity. Customer deposits are held at amortised cost. As of 31 December 2023, customer deposits were $19.97 billion, a decrease of $0.84 billion, or 4%, from 2022 primarily due to currency translation. Excluding the effects of foreign currency translation, customer deposits increased by $2.99 billion from 2022, primarily driven by Consumer Banking helping to increase CASA deposits and reduce the rise in the rates paid on funds in a competitive deposit market. Helping drive overall growth in the mix and growth in CASA deposits were deposit mobilisation campaigns conducted across our markets as part of the core activities to improve deposit pricing and mix. The average rate paid on customer deposits and other borrowings was 2.9% compared with 2.6% a year ago, increasing despite the increasing share of CASA deposits within the deposit mix. This reflects the competitive dynamics for deposits in the current rate environment.

Customer deposits

At 31 December (in thousands of US dollars)	2023	2022	Change %
Deposits from customers by business segment			
Corporate and Investment Banking	8,621,039	8,947,840	(4)%
Commercial Banking	4,853,351	5,368,611	(10)%
Consumer Banking	6,499,558	6,496,862	0%
Total deposits	**19,973,948**	**20,813,313**	**(4)%**
Deposits from customers by geographic regions			
UEMOA	8,145,930	7,366,951	11%
NIGERIA	2,881,457	4,349,455	(34)%
AWA	3,943,014	3,895,778	1%
CESA	4,878,338	5,037,364	(3)%
OTHERS	125,209	163,765	(24)%
Total deposits	**19,973,948**	**20,813,313**	**(4)%**
Deposits from customers by type			
Current	13,266,452	13,584,647	(2)%
Savings	3,395,816	3,518,965	(3)%
Term	3,311,680	3,709,701	(11)%
Total deposits	**19,973,948**	**20,813,313**	**(4)%**
Cost-of-funds	2.6%	2.3%	
Loan-to-deposit ratio	55.4%	55.4%	
CASA deposits ratio	83.4%	82.2%	

Borrowed funds

Borrowed funds are an alternative source of relatively long-term funding and are a critical component of the Group's liquidity and capital management activities. Borrowed funds are held at amortised cost. As of 31 December 2023, total borrowed funds for the Group were $2.25 billion, decreasing by $29 million, or 1%, from 2022, partly because of foreign currency translation. For further information on the composition of the Group's borrowed funds, please refer to Note 34: Borrowed Funds on pages **259**–**260** of this annual report.

Total liabilities and equity

At 31 December (in thousands of US dollars)	2023	2022	Change %
Liabilities			
Deposits from other banks	1,588,118	2,461,934	(35)%
Deposits from customers	19,973,948	20,813,313	(4)%
Borrowed funds	2,249,583	2,278,392	(1)%
Other liabilities	1,684,061	1,423,515	18%
Total liabilities	**25,495,710**	**26,977,154**	**(5)%**
Share capital and premium	2,113,961	2,113,961	–
Retained earnings	746,414	571,032	31%
Reserves	(1,806,414)	(1,290,145)	40%
Equity attributable to ordinary shareholders	**1,053,961**	**1,394,848**	**(24)%**
Other equity instruments	74,088	74,088	
Non-controlling interest	606,406	558,079	9%
Total shareholders' equity	**1,734,455**	**2,027,015**	**(14)%**
Total liabilities and equity	**27,230,165**	**29,004,169**	**(6)%**

Total equity

Total equity, including non-controlling interests (minority interest) and other equity instruments (Additional Tier 1) for 2023, was $1.73 billion compared to $2.03 billion in 2022. Equity available (attributable) to ETI shareholders was $1.05 billion as of 31 December 2023, down 24%, or $341 million, from 31 December 2022.

Total equity was negatively impacted by a significant increase of $573 million in foreign exchange translation losses (FCTR) arising from adverse currency movement across most currencies, particularly the Nigeria naira's roughly 52% devaluation and other material currency depreciations versus the US dollar in our operating markets, such as Zimbabwean dollar (-89%) and Ghana cedi (-29%), partially offset by a 3.6% appreciation in the Euro-linked CFA franc. Additionally, temporary unrealised differences in fair value through other comprehensive income (FVOCI) debt instruments also impacted on shareholders' equity. The net movement of $54 million in FVOCI debt instrument was accounted for as temporary unrealised differences.

Capital position

The Group actively manages the Group's capital to comply with the regulatory requirements of ETI's regulator, the Central Bank of West African States (Banque Centrale des États de l'Afrique de l'Ouest, BCEAO), to support the strategy of the Group. The Group's estimated CET1 ratio, Tier 1 capital adequacy ratio (CAR), and Total CAR were 10.4%, 11.1% and 15.0%, respectively, as of 31 December 2023, compared with 9.6%, 10.2% and 14.2%, respectively, as of 31 December 2022. The Group's capital position was primarily influenced by the negative impacts of foreign currency translation reserves (FCTR) on the capital supply (numerator), which is primarily denominated in local currencies partially counterbalanced by local currency assets included in the risk-weighted assets (RWA). Despite a declining capital supply, the CAR position was supported by ongoing RWA optimisation initiatives that have also helped to decrease the RWA density.

Risk-weighted assets

As at 31 December (in thousands of US dollars)	2023	2022	Change%
By risk type			
Credit risk	10,688,435	12,038,889	(11)%
Operational risk	3,157,639	3,281,166	(4)%
Market risk	87,073	35,674	144%
Total RWAs	**13,933,147**	**15,355,730**	**(9)%**

Regulatory capital and ratios

As at 31 December (in thousands of US dollars)	2023	2022	Change%
CET1 Capital	1,452,994	1,466,647	(1)%
Additional Tier 1 capital (AT1)	97,788	98,628	(1)%
Tier 1 capital	1,550,782	1,565,275	(1)%
Tier 2 capital	538,943	612,018	(12)%
Total capital	**2,089,725**	**2,177,293**	**(4)%**
CET1 ratio	10.4%	9.6%	
Tier 1 capital ratio	11.1%	10.2%	
Total capital adequacy ratio (CAR)	15.0%	14.2%	
Total assets	**27,230,165**	**29,004,169**	
RWA density	**51.2%**	**52.9%**	

Business Segment Review

Corporate and Investment Banking

Corporate and Investment Banking (CIB) offers bespoke financial solutions to global and regional corporates, public corporates, financial institutions and international organisations. It delivers tailor-made solutions to meet its clients' needs. It offers a full spectrum of financial products and services, which includes corporate lending, trade finance services, cash management and payment solutions, as well treasury services. The CIB business also provides corporate finance, investment banking, securities and wealth and asset management services.

CIB delivered strong results despite the adverse impact of Government of Ghana (GoG) Eurobond on revenue and profits. Net revenue exceeded the $1.0 billion target, representing an increase of $48 million, or 5%, from the prior year. This was despite the non-accrual (sterilised income) of $39 million of earned interest income on GoG Eurobonds due to ongoing restructuring discussions with creditors. Revenue mix showed 10% increase in net interest income to $653 million on the back of higher market interest rates and volume mix. The loan book showed modest growth, partially offset by currency translation impact. Non-interest revenues decreased marginally by 3% to $381 million, with a 7% increase in FICC-related income, partially offset by a 8% decrease in fees and commission income. Operating expenses decreased marginally due to lower direct related expenses. The cost-to-income ratio improved to 42% (vs 44% prior year) on account of strong revenue growth. Net impairment charge was high due to increased credit losses on loans closing at $180 million (vs $131 million prior year) arising from management's decision to increase impairment buffers. Loan recoveries/provision release were low at $64 million (vs $113 million prior year).

Overall, pre-tax profit was 7% lower primarily due to the material impairment charges for emerging risks. Adjusting for material one-offs – i.e. additional impairment on GoG Eurobond ($121 million), sterilised income on GoG Eurobond ($39 million) and net modification loss ($26 million) – CIB's PBT decreased by 7% year-on-year to $309 million.

CIB's loan book decreased by 5% from the previous year because of the effect of currency conversion. Asset quality was broadly stable with an NPL ratio of 5.4% (vs 5.3% in December 2022). CIB's customer deposits decreased by $327 million, or 4% partly due to material currency weakness during the year.

Corporate and Investment Banking

Selected income statement and balance sheet highlights

Year ended 31 December (in millions of US dollars)	2023	2022	Change %
Net interest income (NII)	**653**	**592**	**10%**
Net fees and commissions income	168	184	(8)%
Net trading income	198	185	7%
Other income	15	25	(39)%
Non-interest revenue (NIR)	**381**	**393**	**(3)%**
Operating income (Net revenue)	**1,034**	**985**	**5%**
Operating expenses	(434)	(437)	(1)%
Pre-provision, pre-tax operating profit	**600**	**548**	**9%**
Impairment charges on financial assets	(273)	(199)	37%
Net monetary loss arising from hyperinflationary economies	(17)	(16)	8%
Profit before tax	**309**	**333**	**(7)%**
Gross loans and advances to customers	8,113	8,535	(5)%
Deposits from customers	8,621	8,948	(4)%
Selected ratios			
Cost-to-income ratio	42.0%	44.4%	
Loan-to-deposit ratio	94.1%	95.4%	
NPL ratio	5.4%	5.3%	
NPL coverage	69.3%	67.1%	

Note: selected income statement lines only and thus may not sum up

Commercial Banking

Commercial Banking focuses on delivering relevant financial solutions to help grow African businesses through four broad product lines: Cash Management, Loans, Trade and Fixed Income, Currencies and Commodities (FICC). Commercial Banking also leverages technology to deliver digital solutions, such as EcobankPay, Omni Lite and Point of Sale terminals enabling small and medium-sized enterprises (SMEs), local corporates, faith-based organisations, educational and health institutions, local government agencies and local NGOs, to effect payments and collections securely and efficiently.

In 2023, **Commercial Banking** accelerated performance momentum and delivered profit before tax of $212 million, an increase of $78 million, or 58%, from the prior year, evidencing strong topline revenue growth and stable impairment charges.

Total revenue increased by $102 million, or 22%, to $573 million driven by a broad-based increase in funded and non-funded income. Net interest income of $298 million increased by 23% reflecting the net impact of higher market interest rate on asset yield and volume mix. Renewed focus on low-cost/CASA deposit mobilisation also improved margins across the regions. Non-interest revenue of $275 million increased by 20%, supported by cash management and FICC products. Operating expenses increased by $21 million, or 7%, to $312 million, driven by revenue-enhancing expenditures and inflation. However, revenue growth of 22% offset cost rise, resulting in a strong cost-to-income ratio to 54.5% from 61.7% in 2022.

The net impairment charges on financial assets were $33 million in 2023, unchanged from the prior year. Factors driving the net impairment charges were $79 million of gross impairment charges in 2023, which were significantly lower compared to $101 million in 2022, further supported by $50.5 million (2022: $50.5 million) in loan recoveries and impairment releases back to the income statement.

Gross loans amounted to $1.7 billion with asset quality deteriorated with notable rise in Stage 2 and stage 3 loans. As a result, NPL ratio increased to 6.2% (vs 4.8% in 2022). Customer deposits decreased by $0.5 billion to $4.85 billion (vs $5.37 billion in 2022), influenced largely by CASA deposit reductions from CESA and Nigeria. Overall, deposit mix was healthy with an improved CASA ratio of 88% (vs 85% prior year).

Commercial Banking

Selected income statement and balance sheet highlights

Year ended 31 December (in millions of US dollars)	2023	2022	Change %
Net interest income (NII)	**298**	**243**	**23%**
Net fees and commissions income	135	127	6%
Net trading income	134	96	40%
Other income	6	5	20%
Non-interest revenue (NIR)	**275**	**229**	**20%**
Operating income (Net revenue)	**573**	**471**	**22%**
Operating expenses	(312)	(291)	7%
Pre-provision, pre-tax operating profit	**261**	**180**	**45%**
Impairment charges on financial assets	(33)	(33)	-
Net monetary loss arising from hyperinflationary economies	(16)	(13)	23%
Profit before tax	**212**	**134**	**58%**
Gross loans and advances to customer	1,711	1,806	(5)%
Deposits from customers	4,853	5,369	(10)%
Selected ratios			
Cost-to-income ratio	54.5%	61.7%	
Loan-to-deposit ratio	35.3%	33.6%	
NPL ratio	6.2%	4.8%	
NPL coverage	143.5%	166.9%	

Note: selected income statement lines only and thus may not sum up

Consumer Banking

Consumer Banking offers deposit products, remittances, cards, personal loans and mortgages to Premier, Advantage and Mass Market/Youth customers through branches, agency banking (Xpress Points), ATMs, and mobile and online banking. Also, Consumer Banking provides digital platforms enabling customers to make payments and collections effectively and to transfer money in and outside Africa. Consumer Banking aims to be the preferred bank for convenient banking across Africa by efficiently and profitably delivering essential banking products and services to delight customers consistently.

Consumer Banking diversified revenue generation to deliver strong profits.

Lower revenue from Lending was offset by a strong push in Payment, Remittances, Cards and FICC products. Net revenue increased by $53 million or 11% year-on-year to $523 million (vs $470 million in 2022). Consumer Banking's revenue was driven by non-interest revenue (NIR), which was up $24 million, or 12%, year-on-year to $224 million (vs $200 million in 2022). Meanwhile, net interest income (NII) increased 11% to $299 million (vs $270 million in 2022) driven by deposit margins.

Operating expenses increased by 5% to $332 million with a resultant improvement in the cost-to-income ratio to 63.5%, compared to 67.3% in 2022. Credit impairment charges of $6 million declined by $11 million from $17 million or 65% due to reduction in non-performing loans (NPL). The decline in NPL led to an improvement in the NPL ratio to 4.3% (vs 4.8% in 2022).

Profit before tax increased by $46 million, or 35%, to $178 million (vs $132 million in 2022) on revenue growth and lower impairment charges.

Gross loans increased by $57 million, or 5%, to $1.24 billion (vs $1.18 billion in 2022). Asset quality improved with NPL ratio of 4.3% (vs 4.8% in 2022) reflecting reduction in stage 3 loans. NPL coverage was adequate at 110.7%.

Customer deposits increased marginally by $3 million to $6.5 billion across UEMOA, AWA and CESA, partially offset by reductions in Nigeria owing to currency movement. Compared to the previous year, Consumer Banking deposit volume showed broad stability despite material currency weakness across the regions. CASA deposit ratio was healthy at approximately 90%.

Consumer Banking

Selected income statement and balance sheet highlights **Year ended 31 December (in millions of US dollars)**	2023	2022	Change %
Net interest income (NII)	**299**	**270**	**11%**
Net fees and commissions income	173	161	7%
Net trading income	45	33	36%
Other income	6	6	-
Non-interest revenue (NIR)	**224**	**200**	**12%**
Operating income (Net revenue)	**523**	**470**	**11%**
Operating expenses	(332)	(316)	5%
Pre-provision, pre-tax operating profit	**191**	**154**	**24%**
Impairment charges on financial assets	(6)	(17)	(65)%
Net monetary loss arising from hyperinflationary economies	(7)	(5)	40%
Profit before tax	**178**	**132**	**35%**
Gross loans and advances to customers	1,237	1,180	5%
Deposits from customers	6,500	6,497	0%
Selected ratios			
Cost-to-income ratio	63.5%	67.3%	
Loan-to-deposit ratio	19.0%	18.2%	
NPL ratio	4.3%	4.8%	
NPL coverage	110.7%	116.4%	

Note: selected income statement lines only and thus may not sum up

The Group segments its businesses into four geographical regions. These reportable operating segments are Francophone West Africa (UEMOA), Nigeria, Anglophone West Africa (AWA) and Central, Eastern and Southern Africa (CESA). Additionally, the financial results of the constituent affiliates of Ecobank Development Corporation (EDC), the Group's Investment Banking (IB) and Securities, Wealth and Asset Management (SWAM) businesses across the Group's geographic footprint are segmented into each country of their domicile and included accordingly into the applicable regional segments of UEMOA, Nigeria, AWA and CESA.

Francophone West Africa's (UEMOA) profit before tax of $318 million for 2023 rose by 33%, or 29% at constant currency, from the previous year, driven by strong revenue growth and improved asset quality. The return on equity improved to 28.1% (vs 21.6% in 2022) reflecting higher profitability. Significant positive jaw (+9%) and decreased net impairment charges (20%) resulted in a 33% increase in profits.

Total revenues increased by 17%, or 13% at constant currency, to $666 million, with growth benefiting from net interest income and non-interest revenue increases. Non-interest revenue was up $37 million, or 15% (+11% at constant currency), to $278 million driven by higher fee income generation from FX sales and digital wholesale payments from intense underlying customer activity across all business lines, while net interest income increased by $58 million, or 17% (+14% in constant currency) to $388 million on loan growth and higher investment securities balances. Operating expenses of $313 million increased by 8% or, at constant currency, increased by 5%, mainly due to inflation. However, the efficiency ratio improved by 365 basis points to 47.0% from 50.7%, with revenues growing faster than expenses. Net impairment charges on loans of $35 million for 2023 were lower than the $44 million in the previous year as reserves for expected credit losses (ECL) were more than adequate.

Francophone West Africa (UEMOA)

Year ended 31 December (in millions of US dollars)	2023	2022	YoY%	Ccy%*
Net interest income	388	330	17	14
Non-interest revenue	278	242	15	11
Net revenue	**666**	**572**	**17**	**13**
Operating expenses	(313)	(290)	8	5
Pre-provision pre-tax operating profit	**353**	**282**	**25**	**21**
Gross impairment charges on loans	(86)	(128)	(32)	(35)
Less loan recoveries and impairment release	53	85	(38)	(40)
Net impairment charges on loans	**(33)**	**(43)**	**(22)**	**(25)**
Impairment charges on other assets	(1)	(1)	110	104
Impairment charges on financial assets	**(35)**	**(44)**	**(20)**	**(24)**
Profit before tax	**318**	**239**	**33**	**29**
Loans and advances to customers (gross)	5,106	4,506	13	9
Of which Stage 1	4,827	4,225	14	10
Of which Stage 2	201	213	(5)	(9)
Of which Stage 3 (non-performing loans)	77	68	14	10
Less: allowance for impairments (Expected Credit Loss)	(128)	(107)	19	15
Of which Stage 1: 12-month ECL[1]	(18)	(15)	25	20
Of which Stage 2: Lifetime ECL	(63)	(53)	19	15
Of which Stage 3: Lifetime ECL	(46)	(39)	18	14
Loans and advances to customers (net)	4,978	4,399	13	9
Total assets	10,895	10,833	1	(3)
Deposits from customers	8,146	7,367	11	7
Total equity	1,017	924	10	6
Cost-to-income	47.0%	50.7%		
ROE	28.1%	21.6%		
Loan-to-deposit ratio	62.7%	61.2%		
NPL ratio	1.5%	1.5%		
NPL coverage ratio	164.6%	157.4%		
Stage 3 coverage ratio	59.2%	57.4%		

Note: Selected income statement line items only and thus may not sum up
* Ccy = year-on-year percentage change on a constant currency
(1) ECL = Expected Credit Loss

In **Nigeria**, policy directives by the Government impacted on performance. First was the removal of fuel subsidy in May 2023 which triggered a chain reaction, including immediate rises in fuel and food prices which kept inflation elevated and impacted on operating cost. Nigeria's annual inflation rate increased to 28.9% in November 2023, the highest since August 2005. Similarly, the Government's decision to unify exchange rates in June 2023 to boost investor confidence and foreign inflows resulted in a material currency weakness. The shift from the previous multiple forex regime to a "free-floating" system drove a steep depreciation in the naira against the US dollar by about 52%. The currency devaluation amid the FX liquidity squeeze impacted on business activities. For Ecobank, the currency weakness impacted on asset quality, necessitating an increase in impairment charges, especially on foreign currency exposures.

Profit before tax eased marginally to $27 million (vs $31 million prior year), a decrease of 15%, or an increase of 21% at constant currency, reflecting higher net impairment charges and the impact of currency translation on revenue growth. ROE was 4.5%, an improvement from 3.8% in the prior year.

Net revenue increased by 40% in constant currency (down 2% year-on-year) to $234 million driven largely by net-interest income (up 28% year-on-year) benefiting primarily from the net impact of higher interest rates and income from client-driven treasury services and solutions. Net interest income of $138 million increased by 28%, or 72% at constant currency, benefiting primarily from higher market rates, partially offset by an increase in funding costs partly due to the impact on the price of funds from high deposit cash reserve requirements (CRR) and competitive deposit markets. Non-interest revenue decreased by 27%, or increased by 11% at constant currency, at $97 million (vs $132 million prior year) with increased market liquidity and volatility driving client-driven FX and fixed-income sales within Corporate & Investment Banking, partially offset by a decrease in merchant acquiring fees, particularly within Consumer Banking. In addition, non-interest revenue benefited from an approximately $20 million in one-off non-cash adjustment on loans that Ecobank Nigeria previously sold to Nigeria's Asset Management Corporation of Nigeria (AMCON).

Operating expenses decreased by 8%, but increased by 31% at constant currency, to $176 million, predominantly driven by continued increases in the general prices of goods and services. Other cost drivers included technology-related costs, operations and processes, and higher Nigeria Deposit Insurance Corp. (NDIC) premiums. The cost-to-income ratio improved to 74.9% from 79.8% a year ago.

The period's net impairment charge on loans was $32 million compared with $17 million a year ago, reflecting additional impairment charges on specific loans.

Nigeria

Year ended 31 December (in millions of US dollars)	2023	2022	YoY%	Ccy%*
Net interest income	138	107	28	72
Non-interest revenue	97	132	(27)	11
Net revenue	**234**	**239**	**(2)**	**40**
Operating expenses	(176)	(191)	(8)	31
Pre-provision pre-tax operating profit	**59**	**48**	**22**	**74**
Gross impairment charges on loans	(37)	(20)	85	163
Loan recoveries and impairment charges releases	6	3	96	148
Net impairment charges on loans	**(32)**	**(17)**	**83**	**166**
Impairment charges on other assets	(1)	(0)	n.m.	n.m.
Impairment charges on financial assets	**(32)**	**(17)**	**87**	**172**
Profit before tax	**27**	**31**	**(15)**	**21%**
Loans and advances to customers (gross)	1,986	2,581	(23)	59
Of which Stage 1	963	1,746	(45)	14
Of which Stage 2	843	657	28	165
Of which Stage 3, credit impaired loans (non-performing loans)	180	179	1	108
Less allowance for impairment charges (expected credit loss)	(89)	(136)	(34)	35
Of which Stage 1: 12-month ECL[1]	(7)	(15)	(53)	(3)
Of which Stage 2: Lifetime ECL	(33)	(61)	(46)	12
Of which Stage 3: Lifetime ECL	(49)	(61)	(19)	68
Loans and advances to customers (net)	1,897	2,445	(22)	60
Total assets	4,403	6,487	(32)	40
Deposits from customers	2,881	4,349	(34)	37
Total equity	345	680	(49)	5
Cost-to-income ratio	74.9%	79.8%		
ROE	4.5%	3.8%		
Loan-to-deposit ratio	68.9%	59.4%		
NPL ratio	9.1%	6.9%		
NPL coverage ratio	49.6%	76.4%		
Stage 3 coverage ratio	27.4%	34.1%		

Note: Selected income statement line items only and thus may not sum up
* Ccy = year-on-year percentage change at constant currency
(1) ECL = Expected Credit Loss
n.m. = not meaningful

Anglophone West Africa (AWA) showed resilience despite a challenging economic environment and the effects of the Ghana debt crisis. AWA delivered strong growth in profit before tax which increased by $99 million, or 80%, or 143% at constant currency, to $224 million and the return on equity was 26% compared with 14% in 2022. The significant profit increase was driven by the net impact of higher interest rates on net interest income and comparatively lower impairment charges on other financial assets in 2023 compared to the impairment charges in 2023 that were driven by Ghana's debt restructuring exercise. Also negatively impacting profits were the effect of the net debt modification losses of $26 million, including the recycling of losses in other comprehensive income into profit and loss that Ecobank Ghana incurred on the settlement date in February 2023 when the Government of Ghana (GoG) offered the new bonds for the old eligible local currency bonds under the DDEP. The net modification loss is the net change in the present value of the cash flows of the new debt and the old debt after adjusting for previous impairments booked.

AWA's net revenue was $572 million, increasing by 3%, or 29% at constant currency, mainly driven by net interest income which increased by 10%, or 38% at constant currency, to $426 million. Net interest income was supported by deposit margins on CASA deposit mobilisation focus and the positive impact of higher interest rate on asset yield. The year's net interest income excludes approximately $37 million of earned interest income on the GoG Eurobonds due to ongoing and yet to be concluded restructuring discussions with bondholders. Non-interest revenue was $146 million, which decreased by 12%, or increased by 9% at constant currency, due to increases in income from Cards, Trade and Cash Management across all business lines partially offset by a significant decrease in FICC-related fees and commissions within Corporate & Investment Banking.

AWA operating expenses were broadly flat at $251 million, increasing by 2%, or 28% at constant currency, mainly driven by other operating expenses, such as technology costs and inflation. Despite higher inflation, AWA improved its cost-to-income ratio to 43.9% from 44.5% in 2022 by maintaining strict cost control and achieving positive jaws of about 200bps.

Net impairment charges on loans of $40 million were higher compared with $15 million in the prior year, driven by higher impairment charges in Commercial Banking.

Impairment charges on other financial assets of $31 million were primarily due to proactive measures to build additional impairment reserves on the GoG Eurobond exposure. The modification losses on the Government of Ghana (GoG) net of impairment charge of $26 million are due to the final settlement of the old bonds for the new bonds in February 2023 under the GOG DDEP.

Anglophone West Africa (AWA)

Year ended 31 December (in millions of US dollars)	2023	2022	YoY%	Ccy%*
Net interest income	426	389	10	38
Non-interest revenue	146	165	(12)	9
Net revenue	**572**	**554**	**3**	**29**
Operating expenses	(251)	(246)	2	28
Pre-provision, pre-tax operating profit	**321**	**307**	**4**	**31**
Gross impairment charges on loans	(55)	(28)	98	183
Loan recoveries and impairment charges releases	15	13	19	51
Net impairment charges on loans	**(40)**	**(15)**	**164**	**323**
Impairment charges on other assets	(57)	(168)	(66)	(60)
Impairment charges on financial assets	**(97)**	**(183)**	**(47)**	**(37)**
Profit before tax	**224**	**124**	**80**	**143**
Loans and advances to customers (gross)	1,447	1,622	(11)	12
Of which Stage 1	1,176	1,444	(19)	3
Of which Stage 2	211	128	65	79
Of which Stage 3 (non-performing loans)	60	49	22	65
Less allowance for impairments (expected credit loss)	(74)	(60)	23	67
Of which Stage 1: 12-month ECL[1]	(16)	(14)	15	59
Of which Stage 2: Lifetime ECL	(18)	(11)	64	116
Of which Stage 3: Lifetime ECL	(40)	(35)	14	55
Loans and advances to customers (net)	1,373	1,561	(12)	10
Total assets	5,105	5,116	(0.2)	23
Deposits from customers	3,943	3,896	1	26
Total equity	580	547	6	32
Cost-to-income ratio	43.9	44.5		
ROE	26.3	14.2		
Loan-to-deposit ratio	36.7	41.6		
NPL ratio	4.2	3.0		
NPL coverage ratio	123.9	122.4		
Stage 3 coverage ratio	66.6	71.4		

Note: selected income statement line items only and thus may not sum up
* Ccy = year-on-year percentage change on a constant currency
(1) ECL = expected credit loss
n.m. = not meaningful

CESA delivered strong profits on revenue growth: the cluster made a profit before tax of $287 million and a return on equity of 32.8%, reflecting improved profitability. Net revenue increased by 18%, or 51% at constant currency, to $660 million driven largely by non-interest income (up 25% year-on-year) from trade, FICC and cash management. Net interest income increased by 12%, or 38% at constant currency, to $334 million, benefiting from margin expansion in a higher interest rate environment and volume mix. Overall, net interest margins (NIMs) for CESA improved by c.66bps to 6.4% (vs 5.8% prior year) across the geographies driven largely by Gabon, Malawi, Uganda, DR Congo, South Sudan etc. Non-interest revenue increased 25%, or 69% at constant currency, to $327 million, mainly driven by customer-driven FX sales, fixed-income securities trading, card revenues, and trade and transaction fees. Operating expenses of $305 million were up 6%, or 25% at constant currency, predominantly driven by higher inflation and currency weaknesses. The cost-to-income ratio improved slightly to 46.2%, compared with 51.4%, reflecting a positive Jaw of 12% on revenue growth. Net impairment charges on loans were $15 million compared with $27 million in the prior year. Gross impairment charges were high at $88m (vs $72m prior year) with a lower cost-of-risk at 0.9% (vs 1.5% prior year).

Central, Eastern and Southern Africa (CESA)

Year ended 31 December (in millions of US dollars)	2023	2022	YoY%	Ccy%*
Net interest income	334	298	12	38
Non-interest revenue	327	262	25	69
Net revenue	**660**	**560**	**18**	**51**
Operating expenses	(305)	(288)	6	25
Pre-provision, pre-tax operating profit	**355**	**272**	**30**	**84**
Gross impairment charges on loans	(75)	(55)	35	45
Loan recoveries and impairment charges releases	59	28	113	103
Net impairment charges on loans	**(15)**	**(27)**	**(44)**	**(31)**
Impairment charges on other assets	(13)	(18)	(24)	(12)
Impairment charges on financial assets	**(29)**	**(45)**	**(36)**	**(24)**
Net monetary loss arising from hyperinflationary economy	(40)	(34)	18	18
Profit before tax	287	194	48	85
Loans and advances to customers (gross)	**1,802**	**1,899**	**(5)**	**24**
Of which Stage 1	1,590	1,683	(6)	27
Of which Stage 2	133	118	13	19
Of which Stage 3 (non-performing loans)	79	98	(20)	(11)
Less allowance for impairments (expected credit loss)	**(110)**	**(129)**	**(14)**	**(3)**
Of which Stage 1: 12-month ECL[1]	(17)	(17)	-1	46
Of which Stage 2: Lifetime ECL	(25)	(14)	83	81
Of which Stage 3: Lifetime ECL	(68)	(97)	(31)	-23
Loans and advances to customers (net)	**1,691**	**1,771**	**(4)**	**26**
Total assets	6,583	6,831	(4)	24
Deposits from customers	**4,878**	**5,037**	**(3)**	**23**
Total equity	693	680	2	24
Cost-to-income ratio	**46.2%**	51.4%		
ROE	**32.8%**	22.3%		
Loan-to-deposit ratio	**36.9%**	37.7%		
NPL ratio	**4.4%**	5.2%		
NPL coverage ratio	**140.2%**	131.5%		
Stage 3 coverage ratio	**85.9%**	99.6%		

Note: selected income statement line items only and thus may not sum up
* Ccy = year-on-year percentage change on a constant currency
(1) ECL = expected credit loss

Conclusion

Despite the challenging operating environment, the Group delivered strong results. The Group's 2023 performance demonstrated its diversification strength, efficiency and resilience against a challenging macroeconomic backdrop. These attributes are expected to benefit the Group in 2024, especially when economic and financial conditions are forecast to remain tight. Accordingly, the Group will continue to focus on financial discipline, cost efficiency and stringent risk management controls both to safeguard and post healthy returns on shareholders' capital.

06

Financial Statements

Transparent. Disciplined. Conservative.

A better way.
A better Africa.

Statement of Directors' Responsibilities

Responsibility for consolidated financial statements

The Directors are responsible for the preparation of the consolidated financial statements for each financial period that give a true and fair view of the financial position of the Group as at 31 December 2023 and the results of its operations, statement of cash flow, income statement and changes in equity for the year ended 31 December 2023 is compliance with International Financial Reporting Standards ("IFRS"). This responsibility includes ensuring that the Group:

(a) keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Group;

(b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

(c) prepares its consolidated financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, that are consistently applied.

The Directors accept responsibility for the consolidated financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with IFRS.

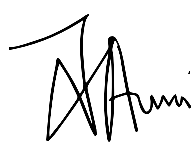
Nothing has come to the attention of the Directors to indicate that the Group will not remain a going concern for at least twelve months from the date of these financial statements.

The Directors are of the opinion that the consolidated financial statements give a true and fair view of the state of the financial affairs of the Group and of its profit or loss for the year ended 31 December 2023. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the financial statements, as well as adequate systems of internal financial control.

Approval of consolidated financial statements

The consolidated financial statements were approved by the Board of Directors on 14 March 2024 and signed on its behalf by:

Alain Nkontchou
Group Chairman
FRC/2020/003/00000021578



Jeremy Awori
Group Chief Executive Officer

Independent Auditors' Report to the Members of Ecobank Transnational Incorporated

Deloitte. Grant Thornton

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Ecobank Transnational Incorporated and its subsidiaries (together referred to as "the Group") set out on pages 164 to 273 which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of Ecobank Transnational Incorporated as at 31 December 2023, and its consolidated financial performance and statement of cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounts Standards Board.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the requirements of the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) and other independence requirements applicable to performing audits of financial statements. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of Consolidated Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

The key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters noted below relate to the consolidated financial statements.

Independent Auditors' Report to the Members of Ecobank Transnational Incorporated

Key audit matters	How our audit addressed the key audit matters

Impairment of loans and advances to customers

Loans and advances to customers constitute a significant portion of the total assets of the Group. At 31 December 2023, gross loans and advances to customers was US$11,062million (31 December 2022: US$11,521 million) against which total loan impairment amounted to US$519 million (31 December 2022: US$518 million), resulting in a net loan balance of US$10,543 million (31 December 2022: US$11,003 million). This asset represents 39 per cent (31 December 2022: 38 per cent) of the total assets as at the reporting date (see note 21).

The basis of the impairment amount is summarised in the accounting policies in the consolidated financial statements in note 2.30.3.

The directors exercise significant judgement when determining both when and how much to record as loan impairment. This is because a number of significant assumptions and inputs go into the determination of expected credit loss ('ECL)' impairment amounts on loans and advances to customers.

The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus were:

i. Modelling for estimation of ECL parameters including:
   - probabilities of default (PDs) – 12-month and lifetime,
   - loss given default (LGD), and
   - exposure at default (EAD).

ii. Assessment and measurement of Significant Increase in Credit Risk ('SICR') using appropriate criteria;

iii. Identification, selection and measurement of economic scenarios to measure ECLs on a forward-looking basis reflecting a range of future economic conditions, including scenarios' weighting;

iv. Ensuring the completeness and accuracy of data used to calculate the ECL;

v. Considering the completeness and validity of out of model adjustments and overlays; and

vi. Validating the loan staging and related disclosures in the consolidated financial statements.

We focused our testing of the impairment on loans and advances to customers on the key assumptions and inputs made by management and directors.

Specifically, our audit procedures included:

- Obtaining an understanding of the loan impairment calculation process within the Group;
- Testing the design and implementation of key controls across the processes relevant to the Expected Credit Loss ('ECL'). This included model governance, controls that ensure data accuracy and completeness and related credit monitoring, allocation of assets into stages, the determination of economic scenarios, post model adjustments, individual impairment and processing of journal entries and disclosures;
- Assessing the ECL impairment levels by stage to determine if they were reasonable considering the Group's portfolio, risk profile, credit risk management practices and the macroeconomic environment;
- Challenging the criteria used to allocate assets to stage 1, 2 or 3 in accordance with IFRS 9: Financial Instruments;
- Testing the assumptions, inputs and formulae used in a sample of ECL models (covering at least 90% of the ECL provision with the support of our internal credit risk specialists);
- Considering the appropriateness of model design and the formulae used in determining the PD's LGD's and EAD's and valuation of collateral in the current economic environment;
- Through applying the assumptions and data included in management's model, we assessed the reasonableness of SICR classifications;
- Testing the data used in the ECL calculation by reconciling to source systems; and
- Assessing the Group's approach and methodology to incorporate the impact of changing macroeconomic conditions in the ECL model, by considering the assumptions used in the forward-looking economic model, the macroeconomic variables selected and the sensitivity of ECL components to each variable by comparing it to our own actuarial analysis and statistics with specific focus on affiliates operating in challenging economic circumstances. We also challenged the scenario weightings attached to the various probabilities of outcomes and carried out impact assessments of varying the scenario weights of the various probabilities of outcomes to assess reasonableness of entity's estimate.
- Considering the completeness and validity of post model adjustments and overlays where this cannot be incorporated in base models;

Independent Auditors' Report to the Members of Ecobank Transnational Incorporated

Deloitte. Grant Thornton

Key audit matters	How our audit addressed the key audit matters
Impairment of loans and advances to customers	
Because of the significance of these estimates, judgements and the size of loans and advances portfolio, the audit of the loan impairment is considered a key audit matter.	• In the Commercial segment where for large exposures in Stage 3 advances, tested the controls around the valuation of collateral (where applicable) for operating effectiveness, inspecting a sample of legal agreements, and supporting documentation to assess the legal right to and existence of collateral and expected timing of future cash flows; and • Assessing the adequacy and appropriateness of disclosures for compliance with the accounting standards. Based on our audit procedures performed, we found that the Group's expected credit loss methodologies, including all the relevant assumptions, judgements, and key inputs used by management and directors to estimate the amount of impairment losses on loans and advances to customers were appropriate.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment on Government of Ghana Debt Securities	
Government of Ghana suspended the servicing payments of its Eurobonds, commercial loans and most bilateral loans. The default event therefore necessitated the need for the Group to reassess its exposure to Ghana Debt for impairment losses. After the default announcement, the Government of Ghana instituted a domestic debt exchange program in a bid to restructure its debt as part of the pre- condition in the staff level agreement with International Monetary Fund (IMF) for a US$3billion macroeconomic support and bailout. The domestic debts restructuring was negotiated and concluded in February 2023. The Government of Ghana however continues to default on the payment of coupons due on series of the Eurobonds following the earlier announcement and there has been no formal negotiation on the defaulted Eurobonds. Given the level of uncertainty involved, the significance of the Group's exposure, lack of any proposals regarding specific restructuring program on the Eurobonds, and the materiality of the amount involved, it became pertinent that the directors exercise some judgement and make some assumptions regarding certain inputs to enable them to assess and determine the appropriate level of impairment on the Government of Ghana's Eurobond Debt Securities. Therefore, this item is considered a key audit matter.	We focused our testing on the impairment assessment of the Government of Ghana's Eurobond debt securities portfolios held by the Group as at 31 December 2023. We reviewed and challenged the key judgements, assumptions, and inputs made by management and directors. Specifically, our audit procedures included: • Obtained an understanding of management's process for estimating the expected credit loss on the instruments; • Obtained available information and data on the Government of Ghana debt securities which formed the basis of analysis by the Group management and directors; • Obtained and challenged key management and directors assumptions and inputs (i.e., cashflows, discount rates, and methodology) to assess accuracy and completeness as well as the reasonableness of the assumptions and inputs; • Performed a detailed review and assessment of the expected credit loss calculations by the Group; and • Assessed the adequacy and appropriateness of disclosures for compliance with the accounting standards. Based on our audit procedures performed, we found that the Group's impairment methodology, including all the relevant assumptions and key inputs used by management and directors to estimate the amount of expected credit losses on the Government of Ghana's Eurobond debt securities were appropriate.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Ecobank Transnational Incorporated Financial Statements for the year ended 31 December 2023", which includes the Statement of Directors' Responsibilities which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. The information does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express and audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this 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.

Responsibilities of the Directors for the Consolidated Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounts Standards Board, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the 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's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 benefits derivable from such communication.

For: Deloitte & Touche
Chartered Accountants
Lagos, Nigeria
20 March 2024

Engagement Partner: Saidi Bolaji
FRC/2021/004/00000024025

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0687006

For: Grant Thornton
Chartered Accountants
Abidjan, Cote d'Ivoire
20 March 2024

Engagement Partner: Missa Kone

Grant Thornton Audit
Côte d'Ivoire
Immeuble Noraya - 1er et 2e étage
Abidjan Cocody Résidences les Vallons

Consolidated Financial Statements

(All amounts in thousands of US dollars unless otherwise stated)

For the year ended 31 December	Notes	2023	2022
Interest income	7	**1,866,085**	**1,617,454**
Interest income calculated using the effective interest method		1,864,732	1,598,318
Other interest income		1,353	19,136
Interest expense	7	**(697,433)**	**(603,751)**
Net interest income		**1,168,652**	**1,013,703**
Fee and commission income	8	539,576	533,612
Fee and commission expense	8	(64,018)	(62,915)
Trading income and foreign exchange gains	9	361,240	310,606
Investment income	10	9,560	13,230
Other operating income	11	48,656	53,561
Non-interest revenue		**895,014**	**848,094**
Operating income		**2,063,666**	**1,861,797**
Staff expenses	12	(462,801)	(447,358)
Depreciation and amortization	12	(90,145)	(101,282)
Other operating expenses	12	(559,609)	(501,741)
Operating expenses		**(1,112,555)**	**(1,050,381)**
Operating profit before impairment charges and taxation		**951,111**	**811,416**
Impairment charges on financial assets	13	(329,939)	(198,066)
Non-conversion premium on bonds	14	-	(40,000)
Operating profit after impairment charges on financial assets		**621,172**	**573,350**
Net monetary loss arising from hyperinflationary economies	2.5	(39,948)	(33,891)
Share of post-tax results of associates	26	138	570
Profit before tax		**581,362**	**540,029**
Taxation	15	(174,439)	(173,338)
Profit after tax		**406,923**	**366,691**
Profit after tax attributable to:			
Ordinary shareholders		287,824	286,430
Other equity instrument holder		7,312	7,312
Non-controlling interests		111,787	72,949
		406,923	**366,691**
Earnings per share from continuing operations attributable to owners of the parent during the year (expressed in United States cents per share):			
- Basic	16	1.170	1.165
- Diluted	16	1.170	1.165

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

For the year ended 31 December	Notes	2023	2022
Profit after tax		**406,923**	**366,691**
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss:			
Exchange difference on translation of foreign operations		(572,856)	(386,106)
Net change in fair value of other financial assets FVOCI		(64,434)	(81,145)
		(637,290)	(467,251)
Items that will not be reclassified to profit or loss:			
Net change in fair value on property and equipment		2,757	40,019
Re-measurements of defined benefit obligations	41	625	(665)
		3,382	39,354
Other comprehensive loss for the year, net of tax		(633,908)	(427,897)
Total comprehensive loss for the year		**(226,985)**	**(61,206)**
Total comprehensive (loss)/ income attributable to:			
Ordinary shareholders		(313,684)	(86,420)
Other equity instrument holder		7,312	7,312
Non-controlling interests		79,387	17,902
		(226,985)	**(61,206)**

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

Consolidated Statement of Financial Position

(All amounts in thousands of US dollars unless otherwise stated)

As at 31 December	Notes	2023	2022
ASSETS			
Cash and balances with central banks	17	3,930,723	4,293,810
Trading financial assets	18	41,278	173,195
Derivative financial instruments	19	78,057	137,468
Loans and advances to banks	20	2,241,873	1,496,567
Loans and advances to customers	21	10,542,753	11,002,905
Treasury bills and other eligible bills	22	1,595,628	2,455,739
Investment securities	23	6,622,055	7,004,434
Pledged assets	24	113,042	153,970
Other assets	25	1,178,100	1,197,175
Investment in associates	26	707	1,016
Intangible assets	27	55,319	84,545
Investment properties	28	11,070	9,922
Property and equipment	29	588,348	754,011
Deferred income tax assets	37	225,736	229,434
		27,224,689	28,994,191
Assets held for sale	31	5,476	9,978
Total assets		**27,230,165**	**29,004,169**
LIABILITIES			
Deposits from banks	32	1,588,118	2,461,934
Deposits from customers	33	19,973,948	20,813,313
Derivative financial instruments	19	44,303	94,224
Borrowed funds	34	2,249,583	2,278,392
Other liabilities	35	1,362,244	1,069,131
Provisions	36	62,275	63,255
Current income tax liabilities		112,635	77,696
Deferred income tax liabilities	37	71,612	99,948
Retirement benefit obligations	38	30,992	19,261
Total liabilities		**25,495,710**	**26,977,154**
EQUITY			
Share capital and premium	40	2,113,961	2,113,961
Retained earnings and reserves	41	(1,060,000)	(719,113)
Equity attributable to ordinary shareholders		**1,053,961**	**1,394,848**
Other equity instrument holder	41	**74,088**	**74,088**
Non-controlling interests		**606,406**	**558,079**
Total equity		**1,734,455**	**2,027,015**
Total liabilities and equity		**27,230,165**	**29,004,169**

The financial statements were approved for issue by the board of directors on 14 March 2024 and signed on its behalf by:

The Group CEO who is a signatory to the financial statements of ETI, was granted a waiver by the Financial Reporting Council (FRC) of Nigeria allowing him to sign the ETI financial statements (without indicating this FRC registration number) on behalf of the board.

Alain Nkontchou
Group Chairman
FRC/2020/003/00000021578

Jeremy Awori
Group Chief Executive Officer

Ayo Adepoju, Ph.D.
Group Chief Financial Officer
FRC/2017/ICAN/00000017517

Consolidated Statement of Changes in Equity

(All amounts in thousands of US dollars unless otherwise stated)

	Note	Attributable to equity holders of the company: Share capital & premium	Retained earnings	Other reserves	Equity attributable to ordinary shareholders	Other equity instruments	Non-controlling interests	Total Equity
At 31 December 2021 / At 1 January 2022		**2,113,961**	**434,419**	**(1,015,989)**	**1,532,391**	**74,088**	**557,827**	**2,164,306**
Net changes in debt instruments, net of taxes	41	-	-	(72,975)	(72,975)	-	(8,170)	(81,145)
Foreign currency translation differences	41	-	-	(323,504)	(323,504)	-	(62,602)	(386,106)
Net gains on revaluation of property	41	-	-	24,294	24,294	-	15,725	40,019
Remeasurements of post-employment benefit obligations	41	-	-	(665)	(665)	-	–	(665)
Other comprehensive loss for the year		-	-	(372,850)	(372,850)	-	(55,047)	(427,897)
Profit for the year		-	286,430	-	286,430	7,312	72,949	366,691
Total comprehensive loss for the year		-	**286,430**	**(372,850)**	**(86,420)**	**7,312**	**17,902**	**(61,206)**
Additional tier 1 capital	41	-	-	-	-	(7,312)	-	(7,312)
Transfer from revaluation reserve property on disposed property	41	-	85	(85)	-	-	-	-
Transfer to non-controlling interests		-	-	(6,471)	(6,471)	-	6,471	-
Equity component not converted	41	-	-	(5,084)	(5,084)	-	-	(5,084)
Transfer from general banking reserves	41	-	2,120	(2,120)	-	-	-	-
Transfer to statutory reserve	41	-	(112,454)	112,454	-	-	-	-
Dividend relating to 2021		-	(39,568)	-	(39,568)	-	(24,121)	(63,689)
At 31 December 2022		**2,113,961**	**571,032**	**(1,290,145)**	**1,394,848**	**74,088**	**558,079**	**2,027,015**
At 1 January 2023		**2,113,961**	**571,032**	**(1,290,145)**	**1,394,848**	**74,088**	**558,079**	**2,027,015**
Net changes in debt instruments, net of taxes	41	-	-	(53,812)	(53,812)	-	(10,622)	(64,434)
Foreign currency translation differences	41	-	-	(550,255)	(550,255)	-	(22,601)	(572,856)
Remeasurements of post-employment benefit obligations	41	-	-	684	684	-	(59)	625
Net gain on revaluation of property		-	-	1,875	1,875	-	882	2,757
Other comprehensive loss for the year		-	-	(601,508)	(601,508)	-	(32,400)	(633,908)
Profit for the year		-	287,824	-	287,824	7,312	111,787	406,923
Total comprehensive loss for the year		-	**287,824**	**(601,508)**	**(313,684)**	**7,312**	**79,387**	**(226,985)**
Additional tier 1 capital coupon	41	-	-	-	-	(7,312)	-	(7,312)
Transfer from revaluation reserve property on disposed property	41	-	5,190	(5,190)	-	-	-	-
Transfer to general banking reserves	41	-	(8,483)	8,483	-	-	-	-
Transfer to statutory reserve	41	-	(83,196)	83,196	-	-	-	-
Share option forfeited	41	-	1,250	(1,250)	-	-	-	-
Dividend relating to 2022		-	(27,203)	-	(27,203)	-	(31,060)	(58,263)
At 31 December 2023		**2,113,961**	**746,414**	**(1,806,414)**	**1,053,961**	**74,088**	**606,406**	**1,734,455**

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

Consolidated Statement of Cash Flows

(All amounts in thousands of US dollars unless otherwise stated)

For the year ended 31 December	Notes	2023	2022
Cash flows from operating activities			
Profit before tax		581,362	540,029
Adjustments for:			
Foreign exchange income		(436,274)	(266,645)
Net gain from investment securities income	10	(9,560)	(13,230)
Fair value loss on assets held for sale	11	-	799
Fair value gain on investment properties	11	(2,419)	(131)
Impairment charges on loans and advances	13	145,054	10,328
Impairment charges on other financial assets	13	184,885	187,738
Depreciation of property and equipment	12	59,980	67,682
Amortisation of software and other intangibles	12	30,165	33,600
Profit on sale of property and equipment	11	(3,158)	(25,212)
Share of post-tax results of associates		(138)	(570)
Income taxes paid		(175,115)	(153,829)
Changes in operating assets and liabilities			
• Trading financial assets		79,364	86,843
• Derivative financial instruments		28,626	(63,820)
• Treasury bills and other eligible bills		(70,868)	(366,724)
• Loans and advances to banks		(700,732)	416,734
• Loans and advances to customers		(1,459,726)	(2,265,460)
• Pledged assets		(38,450)	35,506
• Other assets		(288,606)	(223,534)
• Mandatory reserve deposits with central banks		(326,993)	(192,552)
• Other deposits from banks		1,753	(143,462)
• Deposits from customers		3,016,611	3,344,638
• Derivative liabilities		(19,302)	66,972
• Provisions		1	(4,888)
• Other liabilities		611,974	119,457
Net cashflow from operating activities		**1,208,434**	**1,190,269**
Cash flows from investing activities			
Purchase of software	27	(14,821)	(12,524)
Purchase of property and equipment	29	(96,475)	(299,730)
Proceeds from sale of property and equipment	29	9,391	36,401
Purchase of investment securities	23	(567,231)	(2,454,034)
Proceeds from sale and redemption of investment securities	23	714,989	1,451,676
Net cashflow from /(used in) investing activities		**45,853**	**(1,278,211)**
Cash flows from financing activities			
Repayment of borrowed funds	34	(321,497)	(728,818)
Proceeds from borrowed funds	34	267,236	659,923
Coupon to additional tier 1 capital	41	(7,312)	(7,312)
Dividends paid to Ordinary shareholders	41	(27,203)	(39,568)
Dividends paid to non-controlling shareholders		(31,060)	(24,121)
Net cashflow used in financing activities		**(119,836)**	**(139,896)**
Net increase /(decrease) in cash and cash equivalents		**1,134,451**	**(227,838)**
Cash and cash equivalents at start of the year	42	3,382,968	3,986,309
Effects of exchange differences on cash and cash equivalents		(619,583)	(375,503)
Cash and cash equivalents at end of the year	42	**3,897,836**	**3,382,968**

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

Notes to Consolidated Financial Statements

(All amounts in thousands of US dollars unless otherwise stated)

1 General information

Ecobank Transnational Incorporated (ETI) and its subsidiaries (together, 'the Group') provide retail, corporate and investment banking services throughout sub Saharan Africa outside South Africa. The Group had presence in 39 countries and employed over 14,982 people as at 31 December 2023 (31 December 2022: 13,175)

Ecobank Transnational Incorporated is a limited liability company and is incorporated and domiciled in the Republic of Togo. The address of its registered office is as follows: 2365 Boulevard du Mono, Lomé, Togo. The company has a primary listing on the Ghana Stock Exchange, the Nigerian Stock Exchange and the Bourse Regionale Des Valeurs Mobilieres (Abidjan) Cote D'Ivoire.

The consolidated financial statements for the year ended 31 December 2023 have been approved by the Board of Directors on 14 March 2024.

2 Summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed elsewhere. These policies have been consistently applied to all the periods presented, unless otherwise stated. The notes also highlight new standards and interpretations issued at the time of preparation of the consolidated financial statements and their potential impact on the Group. The financial statements are for the Group consisting of Ecobank Transnational Incorporated and its subsidiaries.

2.1 Basis of presentation and measurement

The Group's consolidated financial statements for the year ended 31 December 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) guidance. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

The consolidated financial statements have been prepared under the historical cost convention, except for the following:

- financial assets and liabilities at fair value through other comprehensive income or fair value through statement of profit or loss
- investment properties at fair value
- assets held for sale – measured at fair value less cost of disposal
- land and buildings
- the liability for defined benefit obligations recognized at the present value of the defined benefit obligation less the fair value of the plan assets.

The consolidated financial statements are presented in US Dollars, which is the group's functional and presentation currency. The figures shown in the consolidated financial statements are stated in US Dollar thousands.

The consolidated financial statements comprise the consolidated statement of comprehensive income (shown as two statements), the statement of financial position, the statement of changes in equity, the statement of cash flows and the accompanying notes.

The consolidated statement of cash flows shows the changes in cash and cash equivalents arising during the period from operating activities, investing activities and financing activities. Included in cash and cash equivalents are highly liquid investments.

The cash flows from operating activities are determined by using the indirect method. The Group's assignment of the cash flows to operating, investing and financing category depends on the Group's business model.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires Directors to exercise judgment in the process of applying the Group's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and that the Group's financial statements therefore present the financial position and results fairly. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 3.

2.2 Going concern

At the time of approving the financial statements, nothing has come to the attention of the Directors to indicate that the group will not remain a going concern for at least twelve months from the date of these financial statements. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

2.3 New and amended standards adopted by the group

In the current year, the Group has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

a) IFRS 17 – Insurance Contracts

The IASB issued IFRS 17 in May 2017 and applies to annual reporting periods beginning on or after 1 January 2023. The new IFRS 17 standard establishes the principles for the recognition, measurement, presentation and disclosure of Insurance contracts within the scope of the Standard. The objective of IFRS 17 is to ensure an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.

This standard does not have any material impact on the Group and its subsidiaries.

b) Amendments to IAS 8 Definition of Accounting Estimates

The amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the Board.

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

c) Amendments to IAS 12

Deferred Tax related to Assets and Liabilities arising from a Single Transaction The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability. Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal.

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

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

d) International Tax Reform—Pillar Two model rules (amendments to IAS 12)

The group is a multinational enterprise with a turnover of more than $2.1b. It is subject to the Organization for Economic Cooperation and Development (OECD) Pillar Two model rules, which aim to ensure that the effective tax rate of affected entities is at least 15%. Pillar Two legislation is not yet substantially enacted in Togo, the jurisdiction in which the company is incorporated. Since the Pillar Two legislation was not effective at the reporting date, the group has no related current tax exposure.

The group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

Due to the complexities in applying the legislation and calculating GloBE income, the quantitative impact of the enacted or substantively enacted legislation is not yet reasonably estimable. The group is in the process of assessing its exposure to the Pillar Two legislation for when it comes into effect.

e) Amendments to IAS 1 and IFRS practice statement 2 – disclosure of accounting policies

The group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

In February 2021, the Board issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:

- Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies.
- Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosure. The amendment does not have a material impact on the Group.

2.4 New and revised IFRS accounting standards in issue but not yet effective

The following standards have been issued or amended by the IASB but are yet to become effective for annual periods beginning on or after 1 January 2024.

At the date of authorisation of these financial statements, the Group has not applied these standards.

i) Amendments to IAS 1 – Classification of Liabilities as Current or Non-current

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

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

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

The amendment is not expected to have a material impact on the Group.

ii) Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback

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

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

The amendment is not expected to have a material impact on the Group at the time it will take effect, the group did not enter into sale and lease back arrangements.

iii) Amendments to IAS 7 & IFRS 7 – Supplier Finance Arrangements

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

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

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

iv) Amendments to IAS 21 – Lack of exchangeability In August 2023, the Board issued Lack of exchangeability amendments to IAS 21.

The amendments specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique.

The amendment is not expected to have any material impact on the Group.

2.5 Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

The consolidated financial statements are presented in United States dollars, which is the Group's presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the official 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 profit or loss.

Changes in the fair value of monetary securities denominated in foreign currency classified as FVTOCI 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.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in the income statement as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as FVTOCI, are included in other comprehensive income.

c) Group companies

The results and financial position of all group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i) Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

ii) Income and expenses for each income statement are translated at average exchange rates; (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions) and

iii) All resulting exchange differences are recognised in other comprehensive income.

Exchange differences arising from the above process are reported in shareholders' equity as 'Foreign currency translation differences'.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

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.

d) Classification of Zimbabwe as hyper-inflationary economy.

IAS 29 "Financial Reporting in Hyperinflationary Economies" requires that the financial statements of entities whose functional currency is that of a hyperinflationary economy to be adjusted for the effects of changes in a suitable general price index and to be expressed in terms of the current unit of measurement at the closing date of the reporting period. Accordingly, the inflation produced from the date of acquisition or from the revaluation date, as applicable, must be computed in the non-monetary items.

The Zimbabwe economy was designated as hyperinflationary from 1 July 2019. As a result, application of IAS 29 'Financial Reporting in Hyperinflationary Economy' has been applied to Ecobank Zimbabwe.

IAS 29 requires that adjustments are applicable from the start of the relevant entity's reporting period.

- The income statement is translated at the period end foreign exchange rate instead of an average rate and ;
- Adjustment of the income statement to reflect the impact of inflation and exchange rate movement on holding monetary assets and liabilities in local currency.
- This resulted in a net monetary loss of $40 million recorded in the income statement.

2.6 Sale and repurchase agreements

Securities sold subject to repurchase agreements ('repos') are reclassified in the financial statements as pledged assets when the transferee has the right by contract or custom to sell or repledge the collateral; the counterparty liability is included in deposits from banks or deposits from customers, as appropriate. Securities purchased under agreements to resell ('reverse repos') are recorded as loans and advances to other banks or customers, as appropriate. The difference between sale and repurchase price is treated as interest and accrued over the life of the agreements using the effective interest method. Securities lent to counterparties are also retained in the financial statements.

2.7 Determination of fair value

Fair value under IFRS 13, Fair Value Measurement ('IFRS 13') is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market condition (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

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 exchanges (for example, NSE, BVRM, GSE) and quotes from approved bond market makers.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer or broker, 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 existing at the dates of the consolidated statement of financial position.

The Group uses widely recognised valuation models for determining fair values of non-standardized 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.

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 consolidated 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 fair value of over-the-counter (OTC) derivatives is determined using valuation methods that are commonly accepted in the financial markets, such as present value techniques and option pricing models. The fair value of foreign exchange forwards is generally based on current forward exchange rates. Structured interest rate derivatives are measured using appropriate option pricing models (for example, the Black-Scholes model) or other procedures such as Monte Carlo simulation.

The fair value for loans and advances as well as liabilities to banks and customers are determined using a present value model on the basis of contractually agreed cash flows, taking into account credit quality, liquidity and costs.

2.8 Fee and commission income

The Group applies IFRS 15 to all revenue arising from contracts with clients, unless the contracts are in the scope of the standards on leases, insurance contracts and financial instruments. The Group recognises revenues to depict the transfer of promised service to customers in an amount that reflects the consideration the Group expects to be entitled in exchange for the service.

Portfolio management advisory and service fees

Recognised based on the applicable service contracts, in most instances on a time-apportionment basis.

Commission and fees arising from negotiating, or participating in the negotiation of, a transaction for a third party

Recognised on completion of the underlying transaction.

Asset management fees related to investment funds

Recognised over the period in which the service is provided.

The initial fees that exceed the level of recurring fees and relate to the future provision of services are deferred and amortised over the projected period over which services will be provided.

Wealth management, financial planning and custody services

Recognised over the period in which the service is provided.

The initial fees that exceed the level of recurring fees and relate to the future provision of services are deferred and amortised over the projected period over which services will be provided.

2.9 Dividend income

Dividends are recognised in the consolidated income statement in other operating income when the entity's right to receive payment is established which is generally when the shareholders approve the dividend.

2.10 Trading income

Trading income comprises gains less losses related to trading assets and liabilities, and it includes all fair value changes and foreign exchange differences.

2.11 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment at each reporting date. 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 of disposal 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 which are largely independent of the cash flows from other assets or group of assets (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.

2.12 Share-based payments

The Group engages in equity settled share-based payment transactions in respect of services received from certain categories of its employees. The fair value of the services received is measured by reference to the fair value of the shares or share options granted on the date of the grant. The cost of the employee services received in respect of the shares or share options granted is recognised in the consolidated income statement over the period that the services are received, which is the vesting period. The fair value of the options granted is determined using option pricing models, which take into account the exercise price of the option, the current share price, the risk free interest rate, the expected volatility of the share price over the life of the option and other relevant factors. Except for those which include terms related to market conditions, vesting conditions included in the terms of the grant are not taken into account in estimating fair value.

Non-market vesting conditions are taken into account by adjusting the number of shares or share options included in the measurement of the cost of employee services so that ultimately, the amount recognised in the consolidated income statement reflects the number of vested shares or share options.

2.13 Cash and cash equivalents

For purposes of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and bank overdrafts.

2.14 Repossessed collateral and properties

Repossessed collateral are equities, landed properties or other investments repossessed from customers and used to settle the outstanding obligations. Such investments and other assets are classified in accordance with the intention of the Group in the asset class which they belong. Repossessed properties acquired in exchange for loans as part of an orderly realisation are reported in 'other assets'. The repossessed properties are recognised when the risks and rewards of the properties have been transferred to the Group. The corresponding loans are derecognised when the Group becomes the holder of the title deed. The properties acquired are initially recorded fair value. They are subsequently measured at the lower of the carrying amount or net realisable value. No depreciation is charged in respect of these properties. Any subsequent write-down of the acquired properties to net realisable value is recognised in the statement of comprehensive income. Any subsequent increase in net realisable value, to the extent that it does not exceed the cumulative write-down, is also recognised in the statement of comprehensive income. Gains or losses on disposal of repossessed properties are reported in 'Other operating income' or 'Operating expenses', as the case may be.

2.15 Leases

The group leases various offices, branches, houses, ATM locations, equipment and cars. Rental contracts are typically made for fixed periods of 1 to 65 years but may have extension options as described in (ii) below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

From 1 January 2019, 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 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. 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.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee 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 lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the affiliate's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment, copiers and other small items of office furniture.

Extension and termination options are included in a number of property and equipment leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

2.16 Investment properties

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the entities in the Group, are classified as investment properties. Investment properties comprise office buildings and Commercial Bank parks leased out under operating lease agreements.

Some properties may be partially occupied by the Group, with the remainder being held for rental income or capital appreciation. If that part of the property occupied by the Group can be sold separately, the Group accounts for the portions separately. The portion that is owner-occupied is accounted for under IAS 16, and the portion that is held for rental income or capital appreciation or both is treated as investment property under IAS 40. When the portions cannot be sold separately, the whole property is treated as investment property only if an insignificant portion is owner-occupied.

Recognition of investment properties takes place only when it is probable that the future economic benefits that are associated with the investment property will flow to the entity and the cost can be measured reliably. This is usually the day when all risks are transferred. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing parts of an existing investment property at the time the cost has been incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the date of the consolidated statement of financial position. Gains or losses arising from changes in the fair value of investment properties are included in the consolidated income statement in the year in which they arise. Subsequent expenditure is included in the asset's carrying amount 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. All other repairs and maintenance costs are charged to the consolidated income statement during the financial period in which they are incurred.

Rental income from investment property is recognised in the income statement on a straight-line basis over the term of the lease.

The fair value of investment properties is based on the nature, location and condition of the specific asset. The fair value is calculated by discounting the expected net rentals at a rate that reflects the current market conditions as of the valuation date adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure. These valuations are performed annually by external appraisers.

Investment properties are derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. The gain or loss on disposal is calculated as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised as other income in the profit and loss.

2.17 Property and equipment

Items of property and equipment are initially recognised at cost if it is probable that any future economic benefits associated with the items will flow to the group and they have a cost that can be measured reliably. Subsequent expenditure is capitalised to the carrying amount of items of property and equipment if it is measurable and it is probable that it increases the future economic benefits associated with the asset. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repair and maintenance costs are charged to other operating expenses during the financial period in which they are incurred.

Land and buildings comprise mainly branches and offices and are measured using the revaluation model. All other property and equipment used by the Group is stated at historical cost less depreciation. Subsequent to initial recognition, motor vehicles, furniture and equipment, installations and computer equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Land and buildings are carried at revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. If an item of property, plant and equipment is revalued, the entire class of property, plant and equipment to which that asset belongs shall be revalued. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. If an asset's carrying amount is increased as a result of a revaluation, the increase shall be credited directly to other comprehensive income. However, the increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. If an asset's carrying amount is decreased as a result of a revaluation, the decrease shall be recognised in profit or loss. However, the decrease shall be debited directly to equity under the heading of revaluation reserve to the extent of any credit balance existing in the revaluation surplus in respect of that asset. For assets revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. Land and buildings are the class of items that are revalued on a regular basis. The other items are evaluated at cost.

An independent valuation of the Group's land and buildings was performed by professionally qualified independent valuers to determine the fair value of the land and buildings as at year end. The revaluation surplus net of applicable deferred income taxes was credited to other comprehensive income and is shown in 'revaluation reserve – property and equipment' in shareholders equity (Note 41). Fair value is derived by applying internationally acceptable and appropriately benchmarked valuation techniques such as depreciated replacement cost or market value approach. The depreciated replacement cost approach involves estimating the value of the property in its existing use and the gross replacement cost. For these appropriate deductions are made to allow for age, condition and economic or functional obsolescence, environmental and other factors that might result in the existing property being worth less than a new replacement. The market value approach involves comparing the properties with identical or similar properties, for which evidence of recent transaction is available or alternatively identical or similar properties that are available in the market for sale making adequate adjustments on price information to reflect any differences in terms of actual time of the transaction, including legal, physical and economic characteristics of the properties.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	25-50 year
Leasehold improvements	25 years or over the period of the lease if less than 25 years
Furniture,equipment installations	3-5 years
Motors vehicles	3-10 years

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

2.18 Intangible assets

a) Goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiaries and associates at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. Each of those cash-generating units is represented by each primary reporting segment.

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstance indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment is tested by comparing the present value of the expected future cash flows from a cash generating unit with the carrying value of its net assets, including attributable goodwill. Impairment losses on goodwill are not reversed.

b) Computer software licences

Acquired computer software licences are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on the basis of the expected useful lives.

Costs associated with maintaining computer software programs are recognised as an expense incurred. Development costs that are directly associated with the production of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include software development employee costs and an appropriate portion of relevant overheads.

Computer software development costs recognised as assets are amortised using the straight-line method over their useful lives (not exceeding three years).

2.19 Income tax

a) Current income tax

Income tax payable (receivable) 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 debt instruments at FVOCI).

Where the Group has tax losses that can be relieved against a tax liability for a previous year, it recognises those losses as an asset, because the tax relief is recoverable by refund of tax previously paid. This asset is offset against an existing current tax balance. Where tax losses can be relieved only by carry-forward against taxable profits of future periods, a deductible temporary difference arises. Those losses carried forward are set off against deferred tax liabilities carried in the consolidated statement of financial position. The Group does not offset income tax liabilities and current income tax assets.

b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from the initial recognition of an asset or liability in transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the date of the consolidated statement of financial position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The principal temporary differences arise from depreciation of property, plant and equipment, revaluation of certain financial assets and liabilities, provisions for pensions and other post-retirement benefits and carry-forwards; and, in relation to acquisitions, on the difference between the fair values of the net assets acquired and their tax base, fair value changes on investment securities , tax loss carried forward, revaluation on property and equipment. Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the difference will not reverse in the foreseeable future.

The tax effects of carry-forwards of unused losses or unused tax credits are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised.

Deferred tax related to fair value re-measurement of investment securities , which are recognised in other comprehensive income, is also recognised in the other comprehensive income and subsequently in the consolidated income statement together with the deferred gain or loss.

2.20 Provisions

Provisions for restructuring costs and legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more probable than not that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The Group recognises no provisions for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditures required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

2.21 Employee benefits

a) Pension obligations

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. A defined benefit plan is a pension plan that is not a defined contribution plan.

Typically defined benefit plans define 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 balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period 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 high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions 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.

For defined contribution plans, 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.

b) Other post-retirement obligations

The Group also provides gratuity benefits to its retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

c) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

d) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

e) Short term benefits

The Group seeks to ensure that the compensation arrangements for its employees are fair and provide adequate protection for current and retiring employees. Employee benefits are determined based on individual level and performance within defined salary bands for each employee grade. Individual position and job responsibilities will also be considered in determining employee benefits. Employees will be provided adequate medical benefits and insurance protection against disability and other unforeseen situations. Employees shall be provided with retirement benefits in accordance with the Separation and Termination policies. Details of employee benefits are available with Group or Country Human Resources.

2.22 Borrowings

Borrowings are recognised initially at fair value net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds net of transaction costs and the redemption value is recognised in the income statement over the period of the borrowing using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contracts is discharged, cancelled or expired. The difference between the carrying amount of financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the income statement as other operating income.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.23 Compound financial instruments

Compound financial instruments issued by the Group comprise convertible notes that can be converted to share capital at the option of the holder.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry. When the conversion option is not exercised upon maturity, the equity component remains in equity.

2.24 Fiduciary activities

Group companies commonly act 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. An assessment of control has been performed and this does not result in control for the group. These assets and income arising thereon are excluded from these financial statements, as they are not assets of the Group.

2.25 Share capital

Financial instruments issued are classified as equity when there is no contractual obligation to transfer cash, other financial assets, or issue available number of own equity instruments. Incremental costs directly attributable to the issue of this new financial instrument are shown in equity as a deduction from the proceeds.

Securities that carry a discretionary coupon and have no fixed maturity or redemption date are classified as other equity instruments. Interest payments on these securities are recognized as distributions from equity in the period in which they are paid.

a) Share issue costs

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares 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 Ecobank Transnational Incorporated's shareholders. Dividends for the year that are declared after the reporting date are disclosed in the subsequent events note.

c) Treasury shares

Where the company purchases its 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.

2.26 Segment reporting

The Group's segmental reporting is in accordance with IFRS 8, Operating Segments ("IFRS 8"). Operating segments are reported in a manner consistent with the internal reporting provided to the Group Executive Committee, which is responsible for allocating resources and assessing performance of the operating segments and has been identified by the Group as the Chief Operating Decision Maker (CODM).

All transactions between business segments are conducted on an arm´s length basis, with intra-segment revenue and costs being eliminated in head office. Income and expenses directly associated with each segment are included in determining business segment performance.

In accordance with IFRS 8, the Group has the following business segments: Corporate & Investment Banking, Commercial Banking and Consumer Banking.

2.27 Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Immediately before classification as held for sale, the assets (or components of a disposal group) are remeasured in accordance with the Group's accounting policies. Thereafter the assets (or disposal group) are measured at the lower of their carrying amount or fair value less cost to sell. Any impairment loss on a disposal group is first allocated to reduce goodwill and then to remaining assets and liabilities on a pro rata basis, except that no loss is allocated to financial assets, deferred tax assets, investment properties, insurance assets and employee benefit assets, which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss until finally sold. Property, equipment and intangible assets, once classified as held for sale, are not depreciated or amortised.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interests in its former subsidiary after the sale.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

2.28 Discontinued operations:

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operation, is part of single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with the with a view to resale. The Group presents discontinued operations in a separate line in the income statement.

Net profit from discontinued operations includes the net total of operating profit and loss before tax from operations, including net gain or loss on sale before tax or measurement to fair value less costs to sell and discontinued operations tax expense. A component of an entity comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Group´s operations and cash flows. If an entity or a component of an entity is classified as a discontinued operation, the Group restates prior periods in the Income statement.

2.29 Comparatives

Except when a standard or an interpretation permits or requires otherwise, all amounts are reported or disclosed with comparative information.

Where IAS 8, Accounting policies ("IAS 8"), changes in accounting estimates and errors' applies, comparative figures have been adjusted to conform with changes in presentation in the current year.

2.30 Financial assets and liabilities

2.30.1 Financial assets – Classification and Measurement Policies

Financial assets are measured at initial recognition at fair value, and are classified and subsequently measured at fair value through statement of profit or loss (FVTPL), fair value through other comprehensive income (FVTOCI) or amortized cost based on our business model for managing the financial instruments and the contractual cash flow characteristics of the instrument. For non-revolving facilities, origination date is the date the facility is disbursed while origination date for revolving facilities is the date the line is availed. Regular-way purchases and sales of financial assets are recognized on the settlement date. All other financial assets and liabilities, including derivatives, are initially recognized on the trade date at which the Bank becomes a party to the contractual provisions of the instrument.

a) A financial asset is measured at amortized cost if it meets both of the following conditions:

(i) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(ii) 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.

After initial measurement, debt instruments in this category are carried at amortized cost using the effective interest rate method. Amortized cost is calculated taking into account any discount or premium on acquisition, transaction costs and fees that are an integral part of the effective interest rate. Impairment on financial assets measured at amortized cost is calculated using the expected credit loss approach. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised.

Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

b) A debt instrument is measured at FVTOCI only if it meets both of the following conditions and is not designated as at FVTPL:

(i) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial asset; and

(ii) 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.

Debt instruments are those instruments that meet the definition of a financial liability from the holder's perspective, such as loans, government and corporate bonds . Movements in the carrying amount of these assets are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in Net investment income. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

c) A debt instrument is measured at FVTPL

- Debt instruments measured at FVTPL include assets held for trading purposes, assets held as part of a portfolio managed on a fair value basis and assets whose cash flows do not represent payments that are solely payments of principal and interest. Financial assets may also be designated at FVTPL if by so doing eliminates or significantly reduces an accounting mismatch which would otherwise arise. These instruments are measured at fair value in the Statement of Financial Position, with transaction costs recognized immediately in the Income Statement as part of trading income. Realized and unrealized gains and losses are recognized as part of trading income in the Statement of Profit or Loss.

d) Equity Instruments

Equity instruments are instruments that meet the definition of equity from the holder's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Equity instruments are measured at FVTPL. However, on initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect for strategic or long term investment reasons to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis. On adoption of the standard, the Group did designate some of it equity instruments as FVTOCI. Gains and losses on these instruments including when derecognised/sold are recorded in OCI and are not subsequently reclassified to the Statement of Profit or Loss. For equity instruments measured at FVTPL, changes in fair value are recognized in the Statement of Profit or Loss. Dividends received are recorded in other income in the Statement of Profit or Loss.

Any transaction costs incurred upon purchase of the security are added to the cost basis of the security and are not reclassified to the Statement of Profit or Loss on sale of the security (this only apply for equity instruments measured at FVTOCI).

e) Business model assessment

Business model reflects how the Group manages the assets in order to generate cash flows. That is, whether the Group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVTPL. Factors considered by the Group in determining the business model for a Group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated. Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVTPL. The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Other factors considered in the determination of the business model include:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

The Group may decide to sell financial instruments held with the objective to collect contractual cash flows without necessarily changing its business model if one or more of the following conditions are met:

(i) When the Group sells financial assets to reduce credit risk or losses because of an increase in the assets' credit risk.

(ii) Where these sales are infrequent even if significant in value. A sale of financial assets is considered infrequent if the sale is one-off during the financial year.

(iii) Where these sales are insignificant in value both individually and in aggregate, even if frequent. A sale is considered insignificant if the portion of the financial assets sold is equal to or less than one (1) per cent of the carrying amount (book value) of the total assets within the business model.

(iv) When these sales are made close to the maturity of the financial assets and the proceeds from the sales approximates the collection of the remaining contractual cash flows. A sale is considered to be close to maturity if the financial assets has a tenor to maturity of not more than one (1) year and/or the difference between the remaining contractual cash flows expected from the financial asset does not exceed the cash flows from the sales by ten (10) per cent.

Other reasons: The following reasons outlined below may constitute 'Other Reasons' that may necessitate selling financial assets from the portfolio held with the sole objective of collecting cashflows category that will not constitute a change in business model:

- Selling the financial asset to realize cash to deal with unforeseen need for liquidity (infrequent).
- Selling the financial asset to manage credit concentration risk (infrequent).
- Selling the financial assets as a result of changes in tax laws or due to a regulatory requirement e.g. comply with liquidity requirements (infrequent).
- Other situations also depends upon the facts and circumstances which need to be judged by the management

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

f) Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. Principal may change over the life of the instruments due to repayments. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group's claim to cash flows from specified assets (e.g. nonrecourse asset arrangements); and
- features that modify consideration of the time value of money – e.g. periodical reset of interest rates.

2.30.2 Financial liabilities

Derivative liabilities are classified as at FVTPL and are measured at fair value with the gains and losses arising from changes in their fair value included in the consolidated income statement and are reported as 'Trading income'. These financial instruments are recognised in the consolidated statement of financial position as 'Derivative financial instruments.

Financial liabilities that are not classified as at fair value through profit or loss are measured at amortised cost. Financial liabilities measured at amortised cost are deposits from banks and customers, other deposits, financial liabilities in other liabilities, borrowed funds for which the fair value option is not applied, convertible bonds and subordinated debts.

2.30.3 Expected Credit Loss Impairment Model on financial assets

The Group's allowance for credit losses calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The expected credit loss impairment model reflects the present value of all cash shortfalls related to default events either over the following twelve months or over the expected life of a financial instrument depending on credit deterioration from inception. The allowance for credit losses reflects an unbiased, probability- weighted outcome which considers multiple scenarios based on reasonable and supportable forecasts.

The Group adopts a three-stage approach for impairment assessment based on changes in credit quality since initial recognition:

(i) Stage 1 – Where there has not been a significant increase in credit risk (SICR) since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss is recorded. The expected credit loss is computed using a probability of default occurring over the next 12 months. For those instruments with a remaining maturity of less than 12 months, a probability of default corresponding to remaining term to maturity is used.

(ii) Stage 2 – When a financial instrument experiences a SICR subsequent to origination but is not considered to be in default, it is included in Stage 2. This requires the computation of expected credit loss based on the probability of default over the remaining estimated life of the financial instrument.

(iii) Stage 3 – Financial instruments that are considered to be in default are included in this stage. Similar to Stage 2, the allowance for credit losses captures the lifetime expected credit losses.

The guiding principle for ECL model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments since initial recognition. The ECL allowance is based on credit losses expected to arise over the life of the asset (life time expected credit loss), unless there has been no significant increase in credit risk since origination.

The allowance is based on the ECLs associated with the probability of default in the next twelve months unless there has been a significant increase in credit risk since origination. If the financial asset meets the definition of purchased or originated credit impaired (POCI), the allowance is based on the change in the ECLs over the life of the asset.

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

Loss allowances for lease receivables are always measured at an amount equal to lifetime. The Group generally considers a debt security to have low credit risk when their credit risk rating is equivalent to the globally understood definition of 'investment grade'.

12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Measuring ECL – Explanation of inputs, assumptions and estimation techniques

a) Measurement

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn down and the cash flows that the Group expects to receive; and
- financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Group expects to recover.

b) Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised. (Refer to note 2.30.6).

The ECL are then measured as follows.

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

c) Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt financial assets carried at FVTOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties;
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

The Group considers failure by the issuer of debt securities to meet coupon and/or principal repayments within the required period, including any contracted grace periods, to infer that the debt security is credit-impaired.

A loan that has been renegotiated due to a deterioration in the borrower's financial condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a retail loan that is overdue for 90 days or more is considered impaired.

In making an assessment of whether an investment in debt securities is credit-impaired, the Group considers the following factors.

- The market's assessment of creditworthiness as reflected in the bond yields.
- The rating agencies' assessments of creditworthiness.
- The issuer's ability to access the capital markets for new debt issuance.
- The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.

d) Presentation of allowance for ECL in the statement of financial position

Loan allowances for ECL are presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- Loan commitments and financial guarantee contracts: generally, as a provision within Other liabilities;
- Where a financial instrument includes both a drawn and an undrawn component, and the Group cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Group presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and
- Debt instruments measured at FVTOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve in Consolidated Statement of Comprehensive Income.

e) Write-off

The bank may write off exposures, subject to regulatory guidance and or imperatives, or at its own discretion, after taking full provisions on the exposure; however, remediation efforts shall continue for such exposures, until the Group Credit Risk Officer or his designate approves for abandonment. The Group's policy is to write off at the point where a decision has been made to abandon all recovery efforts on the exposure. This is usually at the point when it is no longer commercially viable to pursue recovery efforts.

f) Definition of default

The Group considers a financial asset to be in default which is fully aligned with the 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 .
- The borrower has an internal obligor risk rating (ORR) of 9 or 10.

Qualitative criteria

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

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

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

Curing

The Bank considers an instrument previously in default to no longer be in default (i.e. to have cured) when it no longer meets the default criteria. For the purposes of staging however, the facility will observe a probationary period of 90 days before transferring to a higher credit quality stage. For the purpose of determining that a cure has occurred the Bank classifies facilities to be either in a performing state or non-performing state. A facility is said to have cured when it transitions from a non-performing state into a performing state.

Performing state consists of facilities classified internally as I, IA or IIA while non-performing state consists of IIN, III and IV.

Facilities that have moved from a non-performing state into a performing state are required to observe a 90 day probationary period before they are considered to be cured for IFRS 9 staging purposes.

Backward transition

The Bank would assess if there has been a reversal in the conditions leading to a significant increase in credit risk of facilities such that they can be transferred from stage 3 to stage 2, stage 2 to stage 1 or stage 3 to stage 1. Where the Bank has reviewed a facility and determined that there has been a reversal of the conditions leading to a significant increase in its credit risk, such facilities must observe a probationary period before it can be transferred to a better stage.

The Probationary period to be applied shall be;

- Transfer from Stage 2 to 1:- 90 days
- Transfer from Stage 3 to 2:- 90 days
- Transfer from Stage 3 to Stage 1:- 180 days

g) Explanation of inputs, assumptions and estimation techniques: Exposure at Default (EAD), Probability of Default (PD) and Loss Given Default (LGD)

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 PD, EAD, and LGD, defined as follows:

(i) The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default (2.30.3 f above) and credit-impaired financial assets" (2.30.3 c above)), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation. This 12M PD is used to calculate 12- month ECLs. The Lifetime PD is used to calculate lifetime ECLs for stage 2 and 3 exposures.

(ii) 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.

(iii) Loss Given Default (LGD) represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The Lifetime PD is developed by applying a maturity profile to the current 12M PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type:

(i) For amortising products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12month or lifetime basis. This will also be adjusted for any expected overpayments made by a borrower. Early repayment/refinance assumptions are also incorporated into the calculation.

(ii) 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.

The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type:

(i) For secured products, this is primarily based on collateral type and projected collateral values, historical discounts to market/book values due to forced sales, time to repossession and recovery costs observed.

(ii) For unsecured products, LGD's are typically set at product level due to the limited differentiation in recoveries achieved across different borrowers. These LGD's are influenced by collection strategies, including contracted debt sales and price.

Forward-looking economic information is also included in determining the 12-month and lifetime PD, EAD and LGD. These assumptions vary by product type.

The assumptions underlying the ECL calculation – such as how the maturity profile of the PDs and how collateral values change etc. – are monitored and reviewed on a semi- There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

h) Significant Increase in Credit Risk (SICR)

At each reporting date, the Group assesses whether there has been a significant increase in credit risk (SICR) for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The assessment considers borrower-specific quantitative and qualitative information without consideration of collateral, and the impact of forward-looking macroeconomic factors. The common assessments for SICR on retail and non- retail portfolios include macroeconomic outlook, management judgement, and delinquency and monitoring. Forward looking macroeconomic factors are a key component of the macroeconomic outlook. The importance and relevance of each specific macroeconomic factor depends on factors such as the type of product, industry, borrower, geographical region etc.

The Group adopts a multi factor approach in assessing changes in credit risk. This approach considers: Quantitative, Qualitative and Back stop indicators which are critical in allocating financial assets into stages. The quantitative models considers deterioration in the credit rating of obligor/counterparty based on the Group's internal rating system or external ratings while qualitative factors considers information such as expected forbearance, restructuring, exposure classification by licensed credit bureau etc. A backstop is typically used to ensure that in the (unlikely) event that the quantitative indicators do not change and there is no trigger from the qualitative indicators, an account that has breached the 30 days past due criteria for SICR and 90 days past due criteria for default is transferred to stage 2 or stage 3 as the case may be except where there is a reasonable and supportable evidence available without undue cost to rebut the presumption.

i) Forward-looking information incorporated in the ECL models

The assessment of Expected Credit Losses incorporates the use of forward-looking information. The Group has identified the key economic variables impacting its credit risk and expected credit losses and performed historical analysis to determine the significance and impact of these economic variables on its credit risk and expected credit losses. Significant economic variables and the impact of these variables on credit losses vary by clusters and affiliates within the Group. The key drivers for credit risk for the Group are: gross domestic product, commodity prices, oil prices, foreign exchange rates and inflation rate. The impact of these economic variables on the expected credit losses has been determined by performing multi-variate analysis to understand the impact that changes in these variables have had historically on default rates and on the components of expected credit losses.

The forecasts of these economic variables, constitute three scenarios, the best estimate, the optimistic,and the downturn scenario.

In addition to the base economic scenario, the Group's Economics team also provide other possible scenarios along with scenario weightings. The number scenarios used is set based on the analysis of each major product type to ensure non-linearities are captured. The number of scenarios and their attributes are reassessed at each reporting date. The Group concluded that three scenarios appropriately captured non-linearities. The scenario weightings are determined by a combination of statistical analysis and expert credit judgement, taking account of the range of possible outcomes each chosen scenario represents. The Group measures expected credit losses as a probability weighted expected credit losses. These probability-weighted expected credit losses are determined by running each of the scenarios through the relevant expected credit loss model and multiplying it by the appropriate scenario weighting (as opposed to weighting the inputs).

The assessment of SICR is performed using the changes in credit risk rating (as a proxy for lifetime PD) along with qualitative and backstop indicators. 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).

As with any economic forecasts, the projections and likelihood of occurrence are subject to high degree of inherent uncertainty and therefore the actual outcomes may significantly differ from those projected. The Group considers these forecasts to represent its best estimate of possible outcomes and has analysed the non-linearities an asymmetry within the Group's different portfolios to establish that the chosen scenarios are appropriately representative of the range of scenarios.

The economic scenario forecasts used as at 31 December 2023 are derived as follows:

(All amounts in thousands of US dollars unless otherwise stated)

	Weighting	2023 current year actual	2024 forecast
Nigeria			
GDP Growth			
Base	70%	3.18%	4.18%
Upside	15%	3.18%	10.68%
Downside	15%	3.18%	-2.32%
Price of Crude/ USD			
Base	70%	90.79	95.26
Upside	15%	90.79	165.85
Downside	15%	90.79	33.66
UEMOA			
Commodity price index/USD			
Base	80%	609.67	691.75
Upside	5%	609.67	949.32
Downside	15%	609.67	434.18
GDP Growth			
Base	80%	6.02%	5.94%
Upside	5%	6.02%	11.42%
Downside	15%	6.02%	0.46%
AWA			
GDP Growth			
Base	70%	1.61%	6.32%
Upside	5%	1.61%	12.43%
Downside	25%	1.61%	0.21%

j) Expected Life

For instruments in Stage 2 or Stage 3, loss allowances reflect expected credit losses over the expected remaining lifetime of the instrument. For most instruments, the expected life is limited to the remaining contractual life. An exemption is provided for certain instruments with the following characteristics: (a) the instrument includes both a loan and undrawn commitment component; (b) we have the contractual ability to demand repayment and cancel the undrawn commitment; and (c) our exposure to credit losses is not limited to the contractual notice period. For products in scope of this exemption, the expected life may exceed the remaining contractual life and is the period over which our exposure to credit losses is not mitigated by our normal credit risk management actions. This period varies by product and risk category and is estimated based on our historical experience with similar exposures and consideration of credit risk management actions taken as part of our regular credit review cycle. Products in scope of this exemption include credit cards, overdraft balances and certain revolving lines of credit. Judgment is required in determining the instruments in scope for this exemption and estimating the appropriate remaining life based on our historical experience and credit risk mitigation practices.

2.30.4 Interest income

Interest income and expense for all interest-bearing financial instruments are recognized within 'interest income' and 'interest expense' in the consolidated income statement using the effective interest method. The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired (as set out in Note 2.30.3) and is, therefore, regarded as 'Stage 3', the Group calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost, financial instruments designated at FVTPL. Interest income on interest bearing financial assets measured at FVTOCI are also recorded by using the EIR method. The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once a financial asset or a Group of similar financial assets has been written down as a result of an impairment loss, interest income is recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

For purchased or originated credit-impaired financial assets, the Group calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows to the amortised cost of the assets.

2.30.5 Reclassification of financial assets

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

A change in the Group's business model will occurs only when the Group either begins or ceases to perform an activity that is significant to its operations such as:

- Significant internal restructuring or business combinations;
- Disposal of a business line i.e. disposal of a business segment
- Any other reason that might warrant a change in the Group's business model as determined by management based on facts and circumstances

The following are not considered to be changes in the business model:

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

When reclassification occurs, the Group reclassifies all affected financial assets in accordance with the new business model. Reclassification is applied prospectively from the 'reclassification date'. Reclassification date is 'the first day of the first reporting period following the change in business model. Gains, losses or interest previously recognised are not be restated when reclassification occurs.

There were no changes to any of the Group's business models during the current year.

2.30.6 Modification of financial assets

The Group sometimes renegotiates or otherwise modifies the terms of loans provided to customers. This may be 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 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 six consecutive months or more.

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.

If the contractual cash flows of a financial asset measured at amortised cost are modified (changed or restructured, including distressed restructures), the bank determines whether this is a substantial modification, which could result in the derecognition of the existing asset and the recognition of a new asset. If the change is simply a non- substantial modification of the existing terms it would not result in derecognition.

A modification of a financial asset is substantial and will thus result in derecognition of the original financial asset, where the modified contractual terms are priced to reflect current conditions on the date of modification and are not merely an attempt to recover outstanding amounts. Where the modification does not result in an accounting derecognition the original asset continues to be recognised. 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.

The following transactions are entered into by the bank in the normal course of business, in terms of which it modifies the contractual terms of the asset and either achieves derecognition or continues to recognise the asset:

	Modification without derecognition	
Debt Restructuring – Modification of contractual cash flows	Debt restructuring activities include extended payment term arrangements, payment holidays and payment forgiveness.	The existing asset is not derecognised. The gross carrying amount of the financial asset is recalculated as the present value of the estimated future cash receipts through the expected life of the renegotiated or modified financial asset, discounted at the financial
	Modifications with derecognition (i.e. substantial modifications)	
Loans and Advances	The process for modifying an advance (which is not part of a debt restructuring) is substantially the same as the process for raising a new advance, including reassessing the customer's credit risk, repricing the asset and entering into a new legal agreement.	The existing asset is derecognised and a new asset is recognised at fair value based on the modified contractual terms.

2.30.7 Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. The Group derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

2.30.8 Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial assets that are transferred to a third party but do not qualify for derecognition are presented in the statement of financial position as 'Pledged Assets', if the transferee has the right to sell or repledge them.

2.31 Financial guarantee contracts and loan commitments

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and others on behalf of customers to secure loans, overdrafts and other banking facilities.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- The amount of the loss allowance; and
- The premium received on initial recognition less income recognised in accordance with the principles of IFRS 15.

Loan commitments provided by the Group are measured as the amount of the loss allowance.

For loan commitments and financial guarantee contracts, the loss allowance is recognised as a provision within "Other liabilities". However, for contracts that include both a loan and an undrawn commitment and the Group cannot separately identify the expected credit losses on the undrawn commitment component from those on the loan component, the expected credit losses on the undrawn commitment are recognised together with the loss allowance for the loan. To the extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit losses are recognised as a provision.

2.32 Offsetting financial instruments Derecognition

In accordance with IAS 32, the Group reports financial assets and liabilities on a net basis on the statement of financial position only if there is a legally enforceable right to set off 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.

Income and expenses are presented on a net basis only when permitted under IFRSs, or for gains and losses arising from a group of similar transactions such as in the trading activity.

2.33 Classes of financial instruments

The Group classifies the financial instruments into classes that reflect the nature of information and take into account the characteristics of those financial instruments. The classification made can be seen in the table below:

Financial assets **Category (as defined by IFRS9)**	**Class (as determined by the Group)**	**Notes**
Fair Value Through Statement of Profit or Loss (FVTPL)	Trading financial assets	18
	Derivative financial instruments	19
Amortised Cost	Cash and balances with central banks	17
	Loans and advances to banks	20
	Loans and advances to customers	21
	Other assets, excluding prepayments and repossessed assets	25
Fair Value Through Other Comprehensive Income (FVTOCI)	Treasury bills and other eligible bills	22
	Investment securities	23
	Pledged assets	24

Financial liabilities **Category (as defined by IFRS9)**	**Class (as determined by the Group)**	**Notes**
Financial liabilities at fair value through statement of profit or loss	Derivative financial instruments	19
Financial liabilities at amortised cost	Deposits from banks	32
	Deposits from customers	33
	Borrowed funds	34
	Other liabilities, excluding non-financial liabilities	35

Off balance sheet financial instruments **Category (as defined by IFRS9)**	**Class (as determined by the Group)**	**Notes**
Loan commitments	Loan commitments	39
Guarantees, acceptances and other financial facilities	Guarantees, acceptances and other financial facilities	39

3 Critical accounting estimates, and judgments in applying accounting policies

The preparation of financial statements requires the use of accounting estimates, which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

This note provides an overview of the areas that involve a higher degree of judgement or complexity, and major sources of estimation uncertainty. Detailed information about each of these estimates and judgements is included in the related notes together with information about the basis of calculation for each affected line item in the financial statements.

a) Impairment losses on loans and advances

The Group reviews its loan portfolios to assess impairment at least monthly. Where impairment has been identified, an allowance for impairment is recorded. The allowance is based on the ECLs associated with the probability of default in the next twelve months unless there has been a significant increase in credit risk since origination in which case loss allowance is measured at an amount equal to lifetime ECL. If the financial asset meets the definition of purchased or originated credit impaired (POCI), the allowance is based on the change in the ECLs over the life of the asset.

The Group generally considers a debt security to have low credit risk when their credit risk rating is equivalent to the globally understood definition of 'investment grade'. Loss allowances on such low credit risk instrument are recognised at the equivalent of 12-month ECL.

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and FVTOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as the expected life of the instrument, determination of significant increase in credit risk, selection of appropriate macro-economic variables and other forward-looking information etc.

(i) Determining criteria for significant increase in credit risk and choosing appropriate models and assumptions for the measurement of ECL

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. In assessing SICR, the Group has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio. These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. Expert judgment has been applied in this process.

(ii) Establishing the number and relative weightings of forward-looking scenarios for each type of product/ market and the associated ECL

The scenario weightings applied in the incorporation of the forward-looking information into the calculation of ECL are determined by a combination of statistical analysis and expert credit judgement, taking account of the range of possible outcomes each chosen scenario is representative of. The forward-looking information used in ECL are based on forecasts. As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Group considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the Group's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

(iii) Establishing groups of similar financial assets for the purposes of measuring ECL

In determining whether an impairment loss should be recorded in the income statement, the Group makes judgements as to movement in the level of credit risk on the instrument since origination. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

(iv) Establishing Probability of Default parameters (PD)

The bank estimates the PD as the ratio of exposures transitioning to default at the end of an observation period to the initial exposures at the start of an observation period. The observation period is one quarter. The data for the analysis would cover several years, hence the several quarters are observed. The estimated quarterly PD is the average of the number of quarters observed over the years covering the default database.

The estimated average quarterly PD is transformed into 12 month PDs using and lifetime PDs using Markov matrix calculus.

(v) Establishing loss given default parameters (LGD)

LGDs are determined by estimating expected future cash flows, adjusted for forward-looking information.

These cash flows include direct costs and proceeds from the sale of collateral. Collateral recovery rates are based on historically observed outcomes. The statistical models applied implicitly assume that risk drivers that influence default risk, payment behaviour and recovery expectations within historical data will continue to be relevant in the future.

b) Fair value of financial instruments

The fair value of financial instruments that are not quoted in active markets are determined by using valuation techniques. Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed by qualified personnel independent of the area that created them. To the extent practical, models use only observable data; however, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates.

Changes in assumptions about these factors could affect reported fair value of 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 existing at the dates of the consolidated statement of financial position.

c) Goodwill impairment

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2.18. These calculations require the use of estimates. The recoverable amount of all CGUs has been determined based on value-in-use calculations. These calculations use post-tax cash flow projections based on financial budgets approved by management covering a five-year period. No goodwill impairment charge for the period.

d) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

e) Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test (please see financial assets sections of Note 2.30.1). The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

f) Hyper-inflationary accounting

The financial results of Ecobank Zimbabwe have been prepared under the inflation-adjusted accounting basis in line with the provisions of International Accounting Standard 29 "Financial Reporting in Hyperinflationary Economies" (IAS 29).

Zimbabwe hyperinflationary results.

IAS 29 requires that financial results prepared in the currency of a hyperinflationary economy be stated in terms of a measuring unit current at the balance sheet date and that corresponding figures for previous periods be stated in the same terms as the latest balance sheet date. The restatement of the results of Ecobank Zimbabwe has been calculated by means of conversion factors derived from estimated CPIs obtained from movement of the Total Consumption Poverty Line (TCPL) published by the Zimbabwe Statistical Agency (ZIMSTAT). TCPL has been used to estimate inflation for the current period because research conducted by the Institute of Chartered Accountants of Zimbabwe (ICAZ) has indicated that there is a 99% correlation between TCPL and Consumer Price Index (CPI).

Economic events in Ghana over the recent years has actuated consideration of whether the economy is in hyperinflation. In a publication released by the Institute of Chartered Accountants Ghana (ICAG), the ICAG concluded that the economy was not a hyperinflationary economy. Management and Directors concur with ICAG's conclusion. Consequently IAS 29 ' Financial Reporting in Hyperinflationary Economies ' was not applied. Management further assessed the potential impact had the provisions of IAS 29 been applied. The potential impacts were considered immaterial.

4 Financial Risk Management

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance.

The Group has documented financial risk management policies. These policies set out the Group's overall business strategies and its risk management philosophy. The Group's overall financial risk management programme seeks to minimise potential adverse effects of financial performance of the Group. The Board of Directors provides written principles for overall financial risk management and written policies covering specific areas, such as credit risk, market risk (including foreign exchange risk, interest rate risk and equity price risk) liquidity risk and use of derivative financial instruments. Such written policies are reviewed annually by the Board of Directors and periodic reviews are undertaken to ensure that the Group's policy guidelines are complied with. Risk management is carried out by the Group Risk team under the policies approved by the Board of Directors.

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

4.1 Credit Risk

Credit risk is the risk of suffering financial loss, should any of the Group's customers, clients or market counterparties fail to fulfil their contractual obligations to the Group. Credit risk arises mainly from interbank, commercial and consumer loans and advances, and loan commitments arising from such lending activities, but can also arise from credit enhancement provided, such as credit derivatives (credit default swaps), financial guarantees, letters of credit, endorsements and acceptances.

The Group is also exposed to other credit risks arising from investments in debt securities and other exposures arising from its trading activities ('trading exposures') including non-equity trading portfolio assets and derivatives as well as settlement balances with market counterparties and reverse repurchase agreements.

Credit risk is the single largest risk for the Group's business; management therefore carefully manages its exposure to credit risk. The credit risk management and control are centralised in a credit risk management team which reports regularly to the Board of Directors and head of each business unit.

4.1.1 Credit quality analysis

The Group uses internal credit risk gradings that reflect its assessment of the probability of default of individual counterparties. The Group use internal rating models tailored to the various categories of counterparty. Borrower and loan specific information collected at the time of application (such as disposable income, and level of collateral for retail exposures; and turnover and industry type for wholesale exposures) is incorporated into this rating model. This is supplemented with external data such as credit bureau scoring information on individual borrowers (where available). In addition, the expected credit models enable expert judgement from the Credit Risk Officer to be incorporated into the final internal credit rating for each exposure. This allows for considerations which may not be captured as part of the other data inputs into the model.

Credit risk grading

The credit grades are calibrated such that the risk of default increases exponentially at each higher risk grade. For example, this means that the difference in the PD between an A and A- rating grade is lower than the difference in the PD between a B and B- rating grade.

The following are additional considerations for each type of portfolio held by the Group:

Retail

After the date of initial recognition, for retail business, the payment behaviour of the borrower is monitored on a periodic basis to develop a behavioural score. Any other known information about the borrower which impacts their creditworthiness — such as unemployment and previous delinquency history — is also incorporated into the behavioural score. This score is mapped to a PD.

Wholesale

For wholesale business, the rating is determined at the borrower level. A relationship manager will incorporate any updated or new information/credit assessments into the credit system on an ongoing basis. In addition, the relationship manager will also update information about the creditworthiness of the borrower every year from sources such as public financial statements. This will determine the updated internal credit rating and PD.

Investment Securities

For debt securities in the Treasury portfolio, external rating agency credit grades are used. These published grades are continuously monitored and updated. The PD's associated with each grade are determined based on realised default rates over the prior 12 months, as published by the rating agency.

The Group's rating method comprises 10 rating levels. The master scale assigns each rating category a specified range of probabilities of default, which is stable over time. The rating methods are subject to an annual validation and recalibration so that they reflect the latest projections in the light of all actually observed defaults.

The Group's internal rating scale and mapping of external ratings are set out below:

Credit rating	1	2	3	4	5	6	7	8	9	10
S&P	AAA	AA	A	BBB	BB	B	CCC	CC	C	D
Description of the grade	Investment Grade				Speculative Grade					Default
Classification	Performing									
					Watchlist					
								Substandard		
										Doubtful or Loss
Stages	Stage 1									
							Stage 2			
									Stage 3	

The ratings of the major rating agency shown in the table above are mapped to the group's rating classes based on the long-term average default rates for each external grade. The Group uses the external ratings where available to benchmark our internal credit risk assessment. Observed defaults per rating category vary year on year, especially over an economic cycle. As per the Group Credit Policy, the Bank does not originate loans rated worst than 7.

The Group's policy requires the review of individual financial assets that are above materiality thresholds at least annually or more regularly when individual circumstances require.

4.1.2 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. The Group's credit risk exposures are presented quarterly to the Board of Directors. The exposure to any one borrower including banks and other non bank financial institutions is further restricted by sub-limits covering on- and off-statement of financial position exposures, and daily delivery risk limits in relation to trading items such as forward foreign exchange contracts. Actual exposures against limits are monitored daily. Exposure to credit risk is also managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate. Some other specific control and mitigation measures are outlined below:

(a) Collateral

The Group employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advances, which is common practice. The Group implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:

- Mortgages over residential properties;
- Charges over business assets such as premises, inventory and accounts receivable;
- Charges over financial instruments such as debt securities and equities.

Longer-term finance and lending to corporate entities are generally secured; individual credit facilities are generally unsecured. In addition, in order to minimise the credit loss the Group will seek additional collateral from the counterparty as soon as impairment indicators are noticed for the relevant individual loans and advances.

(b) Credit-related commitments

The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees and standby letters of credit carry the same credit risk as loans. Documentary and commercial letters of credit – which are written undertakings by the Group on behalf of a customer authorising a third party to draw drafts on the Group up to a stipulated amount under specific terms and conditions – are collateralised by the underlying shipments of goods to which they relate and therefore carry less risk than a direct loan.

Commitments to extend credit represent unused portions of authorisations to extend credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Group is potentially exposed to loss in an amount equal to the total unused commitments. However, the likely amount of loss is less than the total unused commitments, as most commitments to extend credit are contingent upon customers maintaining specific credit standards. The Group monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

.4.1.2 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) A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Group.

b) If a SICR since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired. Refer below for a description of how the Group determines when a significant increase in credit risk has occurred.

c) If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'. Refer below for a description of how the Group defines credit-impaired and default.

d) Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis. Refer below for a description of inputs, assumptions and estimation techniques used in measuring the ECL.

e) A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information. Note 4.1.3 below includes an explanation of how the Group has incorporated this in its ECL models.

f) POCI financial assets are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

Further explanation is also provided of how the Group determines appropriate Groupings when ECL is measured on a collective basis.

The following diagram summarises the impairment requirements under IFRS 9 (other than POCI financial assets):

Change in credit quality since initial recognition

Stage 1	Stage 2	Stage 3
(initial recognition)	(Significant increase in credit risk since initial recognition)	(Credit-impaired assets)
12 month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

4.1.3 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.

The quantitative criteria is based on either absolute or relative changes in credit quality. In both cases, the Group is expected to specify the percentage change, for either 12-month or lifetime PDs in comparison to the corresponding 12-month or lifetime PDs as calculated at origination, respectively, that would indicate a significant increase in credit risk since origination.

a) Forward transitions: Credit Ratings

The Group allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of borrower. Notch differences between the current rating grade and initial rating grade can be indicative of significant increase in credit risks.

The Group specifies the number of notch increases that will be viewed as a significant increase in credit risk since origination. This number is specified separately for both low and high risk accounts. The split between low and high risk accounts is also specified by the Group. Assuming the account is currently classified as Stage 1, if the current credit rating increases by more notches than the specified number since origination, the account is classified as Stage 2.

In addition, if the accounts current credit rating is worse than the default credit rating indicator, also specified by the Group, the account is classified as Stage 3.

These credit risk grades are defined and calibrated such that the risk of default occurring increases exponentially as the credit risk deteriorates so, for example, the difference in risk of default between credit risk grades 1 and 2 is smaller than the difference between credit risk grades 2 and 3.

Each exposure is allocated to a credit risk grade at initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade. The monitoring typically involves use of the following data.

Wholesale exposures	Retail exposures	All exposures
Information obtained during periodic review of customer files – e.g. audited financial statements, management accounts, budgets and projections. Examples of areas of particular focus are: gross profit margins, financial leverage ratios, debt service coverage, compliance with covenants, quality of management, senior management changes.	Internally collected dàta on customer behaviour – e.g. utilisation of credit card facilities	Payment record –this includes overdue status as well as a range of variables about payment ratios
Data from credit reference agencies, press articles, changes in external credit ratings	Affordability metrics	Utilisation of the granted limit
Quoted bond and credit default swap (CDS) prices for the borrower where available	External data from credit reference agencies including industry- standard credit scores	Requests for and granting of forbearance
Actual and expected significant changes in the political, regulatory and technological environment of the borrower or in its business activities		Existing and forecast changes in business, financial and economic conditions

b) Forward transitions: Credit Ratings

Transition from Stage 1 to Stage 2 considers the 30 days past due presumption in addition to other classification criteria (refer to d below). Transition from Stage 2 to Stage 3 is based on the 90 days past due presumption. The table below summarises the Stage classification based on the days past due.

Stage	Days Past Due
1	0 to 30
2	31 to 90
3	91+

c) Forward transitions: Watchlist & Restructure

The Group classifies accounts that are included on their Watchlist or have been restructured as Stage 2 if the significant driver for the account being watchlisted or restructured is due to a significant increase in credit risk.

d) Forward transitions: Classification

In addition to the days past due, the Group classifies accounts in accordance with the Group's credit policy and procedures manual (GCPPM) as either '1,1A, II, III, or IV'. This classification is considered together with days past due in determining the Stage classification. The table below summarises the account classification and days past due.

Classification	Days Past Due
1 & 1A.	0 to 90
II.	91 to 180
III.	181 to 365
IV.	365+

(All amounts in thousands of US dollars unless otherwise stated)

The internal rating systems described above focus more on credit-quality mapping from the inception of the lending.

"1" : relate to assets classified as "Investment Grade" (no evident weakness).

"1A": relate to items for which there are evidence of a weakness in the financial or operating condition of the obligor which requires management's close attention.

"II" : there is a well-defined weakness in the financial or operating condition of the obligor which jeopardizes the timely repayment of its obligations.

"III" : there are all of the weakness that are normally seen in a substandard credit with the additional characteristic that these weaknesses make full repayment unlikely.

"IV" : Financial instruments that are considered to be in default.

4.1.4 Grouping of instruments for losses measured on a collective basis

For expected credit loss provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a Group are homogeneous. In performing this Grouping, there must be sufficient information for the Group to be statistically credible. Where sufficient information is not available internally, the Group has considered benchmarking internal/external supplementary data to use for modelling purposes.

The characteristics and any supplementary data used to determine Groupings are outlined below:

Retail – Groupings for collective measurement

- Loan to value ratio band
- Credit Rating band
- Product type (e.g. Residential/Buy to Let mortgage, Overdraft, Credit Card)
- Repayment type (e.g. Repayment/Interest only) Wholesale – Groupings for collective measurement
- Collateral type
- Credit Rating band

The appropriateness of groupings is monitored and reviewed on a periodic basis by the Credit Risk team.

4.1.5 Maximum exposure to credit risk

4.1.5.1 Maximum exposure to credit risk – Financial instruments subject to ECL impairment

For ECL purposes, the bank's financial asset is segmented into sub-portfolios are listed below:

- Loans and advances to customers
- Loans and advances to banks
- Investment securities – Debt instruments
- Other assets
- Off balance sheet exposures

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.

US$'000	Loans and advances to customers			
	31 December 2023			
ECL staging	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Gross carrying amount	9,032,369	1,429,255	600,185	11,061,809
Loss allowance	(59,338)	(139,985)	(319,733)	(519,056)
Carrying amount	**8,973,031**	**1,289,270**	**280,452**	**10,542,753**

US$'000	Loans and advances to customers			
	31 December 2022			
ECL staging	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Gross carrying amount	9,748,200	1,174,146	598,666	11,521,012
Loss allowance	(61,525)	(139,513)	(317,069)	(518,107)
Carrying amount	**9,686,675**	**1,034,633**	**281,597**	**11,002,905**

US$'000	Loans and advances to banks			
	31 December 2023			
ECL staging	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Gross carrying amount	2,235,055	3,549	15,776	2,254,380
Loss allowance	-	(1,403)	(11,104)	(12,507)
Carrying amount	**2,235,055**	**2,146**	**4,672**	**2,241,873**

US$'000	Loans and advances to banks			
	31 December 2022			
ECL staging	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Gross carrying amount	1,492,053	-	13,112	1,505,165
Loss allowance	(86)	-	(8,512)	(8,598)
Carrying amount	**1,491,967**	**-**	**4,600**	**1,496,567**

US$'000	Investment securities – debt instruments				
	31 December 2023				
ECL staging	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Purchased originated credit impairment	Total
Gross carrying amount	5,909,099	-	534,113	446,835	6,890,047
Loss allowance	(826)	-	(267,166)	-	(267,992)
Carrying amount	**5,908,273**	-	**266,947**	**446,835**	**6,622,055**

US$'000	Investment securities – debt instruments				
	31 December 2022				
ECL staging	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Purchased originated credit impairment	Total
Gross carrying amount	6,024,593	-	1,184,976	-	7,209,569
Loss allowance	(1,231)	-	(203,904)	-	(205,135)
Carrying amount	**6,023,362**	**-**	**981,072**	**-**	**7,004,434**

US$'000	Other assets			
	31 December 2023			
ECL staging	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Gross carrying amount	885,731	1,179	868	887,778
Loss allowance	(6,581)	(1,179)	(645)	(8,405)
Carrying amount	**879,150**	**-**	**223**	**879,373**

(All amounts in thousands of US dollars unless otherwise stated)

US$'000	Other assets			
	31 December 2022			
ECL staging	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Gross carrying amount	866,893	-	89,824	956,717
Loss allowance	(32,509)	-	(71,373)	(103,882)
Carrying amount	**834,384**	**-**	**18,451**	**852,835**

US$'000	Off Balance sheet			
	31 December 2023			
ECL staging	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Gross carrying amount	3,448,273	41,752	12,098	3,502,124
Loss allowance	(2,800)	(8,469)	(5,148)	(16,417)
Carrying amount	**3,445,473**	**33,283**	**6,950**	**3,485,707**

US$'000	Off Balance sheet			
	31 December 2022			
ECL staging	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Gross carrying amount	4,841,673	25,493	6,531	4,873,697
Loss allowance	(8,379)	(1,027)	(1,396)	(10,802)
Carrying amount	**4,833,294**	**24,466**	**5,135**	**4,862,895**

4.1.5.2 Maximum exposure to credit risk – Financial instruments not subject to ECL impairment

The following table contains an analysis of the maximum credit risk exposure from financial assets not subject to impairment (i.e. FVTPL):

US$'000	31 December 2023	31 December 2022
Trading assets		
• Debt Securities	41,278	173,195
• Derivatives	78,057	137,468
Financial assets designated at fair value		
• Debt securities	-	-
• Loans and advances to customers	-	-

4.1.5.3 Maximum exposure to credit risk before collateral held

	Maximum exposure	
	31 December 2023	31 December 2022
Credit risk exposures relating to on-statement of financial position assets are as follows:		
Balances with central banks	3,273,483	3,607,620
Treasury bills and other eligible bills	1,595,628	2,455,739
Loans and advances to banks	2,241,873	1,496,567
Loans and advances to customers:		
Corporate and Investment Banking		
- Overdrafts	838,499	643,979
- Term loans	6,969,397	7,582,991
Commercial		
- Overdrafts	175,820	246,320
- Term loans	1,383,004	1,415,031
Consumer		
- Overdrafts	13,647	28,330
- Credit cards	1,005	73
- Term loans	1,022,826	950,847
- Mortgages	138,555	135,334
Trading financial assets		
- Debt securities	41,278	173,195
Derivative financial instruments	78,057	137,468
Financial assets designated at fair value:		
Investment securities:		
- Debt securities	6,622,055	6,777,850
Pledged assets	113,042	153,970
Other assets excluding prepayments and repossessed assets	879,373	852,835
Credit risk exposures relating to off-balance sheet items are as follows:		
Financial guarantees and other financial facilities	2,854,288	3,405,209
Loan commitments	647,836	1,457,686
	28,889,666	**31,521,044**

The above table represents a worse case scenario of credit risk exposure of the Group at 31 December 2023 and 31 December 2022, without taking into account any collateral held or other credit enhancements attached. For on-balance-sheet assets, the exposures set out above are based on net carrying amounts as reported in the statement of financial position.

As shown above, 44% (December 2022: 39%) of the total maximum exposure is derived from loans and advances to banks and customers,23% (December 2022: 21%) represents investments securities in debt securities.

(All amounts in thousands of US dollars unless otherwise stated)

Management is confident in its ability to continue to control and sustain minimal exposure of credit risk to the Group resulting from its loan and advances portfolio, debt securities and other assets based on the following:

- 83% (December 2022: 85%) of the loans and advances portfolio are considered to be neither past due nor in default;
- Investment in debt securities are largely government securities.

4.1.6 Collateral and other credit enhancements

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. The Group prepares a valuation of the collateral obtained as part of the loan origination process. This assessment is reviewed periodically. The principal collateral types for loans and advances are:

- Mortgages over residential properties;
- Charges over business assets such as premises, inventory and accounts receivable;
- Charges over financial instruments such as debt securities and equities.

Longer-term finance and lending to corporate entities are generally secured; revolving individual credit facilities are generally unsecured. Collateral held as security for financial assets other than loans and advances depends on the nature of the instrument. Debt securities, treasury and other eligible bills are generally unsecured. Derivatives are also collateralised.

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 year.

A portion of the Group's financial assets originated by the mortgage business has sufficiently low 'loan to value' (LTV) ratios, which results in no loss allowance being recognised in accordance with the Group's expected credit loss model. The carrying amount of such financial assets is USD142 million as at 31 December 2023 (2022 :$140 million).

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. Financial assets that are credit-impaired and related collateral held in order to mitigate potential losses are shown in note 4.1.9 (c)

4.1.7 Loss allowance

The loss allowance recognised in the year is impacted by a variety of factors, as described below:

- Transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the year, and the consequent "step up" (or "step down") between 12-month and Lifetime ECL;
- Additional allowances for new financial instruments recognised during the year, as well as releases for financial instruments de-recognised in the year;
- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the year, arising from regular refreshing of inputs to models;
- Impacts on the measurement of ECL due to changes made to models and assumptions;
- Discount unwind within ECL due to the passage of time, as ECL is measured on a present value basis;
- Foreign exchange retranslations for assets denominated in foreign currencies and other movements; and
- Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the year.

The following tables explain the changes in the loss allowance between the beginning and the end of the reporting period due to these factors:

Loans and advances to customers

US$'000	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Loss allowance as at 1 January 2023	61,525	139,513	317,069	518,107
Movements with P&L impact				
New financial assets	20,734	15,454	90,950	127,138
Transfer from Stage 1 to Stage 2	(12,245)	12,245	-	-
Transfer from Stage 1 to Stage 3	(18,329)	-	(18,329)	(36,658)
Changes in PDs/LGDs/EADs	12,594	9,157	23,962	45,713
Changes to model assumptions and methodologies	(1,261)	2,685	7,437	8,861
Total net P&L charge during the year	**1,493**	**39,541**	**104,020**	**145,054**
Other movements with no P&L impact				
FX and other movements	(3,680)	(34,974)	(34,969)	(73,623)
Transfer from Stage 2 to Stage 3	-	(7,194)	7,194	-
Transfer from Stage 3 to Stage 2	-	3,099	(3,099)	-
Write-offs	-	-	(70,482)	(70,482)
Loss allowance as at 31 December 2023	**59,338**	**139,985**	**319,733**	**519,056**

(All amounts in thousands of US dollars unless otherwise stated)

Loans and advances to customers

US$'000	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Loss allowance as at 1 January 2022	79,923	143,420	429,033	652,376
Movements with P&L impact				
New financial assets originated	36,066	8,176	42,326	86,568
Transfer from Stage 1 to Stage 2	(15,860)	15,860	-	-
Transfer from Stage 1 to Stage 3	(30,123)	-	30,123	-
Changes in PDs/LGDs/EADs	12,927	30,414	(110,988)	(67,647)
Changes to model assumptions and methodologies	(8,627)	374	(340)	(8,593)
Total net P&L charges during the year	**(5,617)**	**54,824**	**(38,879)**	**10,328**
Other movements with no P&L impact				
FX and other movements	(12,781)	(51,171)	119,878	55,926
Transfer from Stage 2 to Stage 3	-	(8,516)	8,516	-
Transfer from Stage 3 to Stage 2	-	956	(956)	-
Financial assets derecognised during the year	-	-	-	-
Write-offs	-	-	(200,523)	(200,523)
Loss allowance as at 31 December 2022	**61,525**	**139,513**	**317,069**	**518,107**

Significant changes in the gross carrying amount of financial assets that contributed to changes in the loss allowances were as follows

- The write-off of loans with a total gross carrying amount of USD 70 million (2022: $201 million) resulted in the reduction of the Stage 3 loss allowance by the same amount.
- Impairments relating to new financial assets originated in the year.

Investment securities – debt instruments

US$'000	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Loss allowance as at 1 January 2023	1,231	-	203,904	205,135
Movements with P&L impact				
Changes in PDs/LGDs/EADs	-	-	147,146	147,146
Changes to model assumptions and methodologies	-	-	-	-
Unwind of discount(a)	-	-	-	-
Total net P&L charges during the year	**-**	**-**	**147,146**	**147,146**
Other movements with no P&L impact				
FX and other movements	(405)	-	29,656	29,251
Transfer from Stage 2 to Stage 3	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-
Write-offs	-	-	(113,540)	(113,540)
Loss allowance as at 31 December 2023	**826**	**-**	**267,166**	**267,992**

Investment securities – Debt instruments

USD'000	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Loss allowance as at 1 January 2022	1,304	-	-	1,304
Movements with P&L impact				
Changes in PDs/LGDs/EADs	-	-	170,190	170,190
Changes to model assumptions and methodologies	-	-	-	-
Unwind of discount(a)	-	-	-	-
Total net P&L charges during the year	**-**	**-**	**170,190**	**170,190**
Other movements with no P&L impact				
FX and other movements	(73)	-	33,714	33,641
Transfer from Stage 2 to Stage 3	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-
Financial assets derecognised during the year	-	-	-	-
Write-offs	-	-	-	-
Loss allowance as at 31 December 2022	**1,231**	**-**	**203,904**	**205,135**

Other assets

(All amounts in thousands of US dollars unless otherwise stated)

USD'000	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Loss allowance as at 1 January 2023	103,882	-	-	103,882
Movements with P&L impact				
New financial assets originated or purchased	-	-	-	-
Changes in PDs/LGDs/EADs	32,006	1,179	645	33,830
Changes to model assumptions and methodologies	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-
Unwind of discount(a)	-	-	-	-
Total net P&L charges during the year	**32,006**	**1,179**	**645**	**33,830**
Other movements with no P&L impact				
FX and other movements	6,418	-	-	6,418
Transfer from Stage 2 to Stage 3	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-
Financial assets derecognised during the year	-	-	-	-
Write-offs	(135,725)	-	-	(135,725)
Loss allowance as at 31 December 2023	**6,581**	**1,179**	**645**	**8,405**

Other assets

USD'000	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Loss allowance as at 1 January 2022	209,321	-	-	209,321
Movements with P&L impact				
New financial assets originated or purchased	-	-	-	-
Changes in PDs/LGDs/EADs	17,160	-	-	17,160
Modification of contractual cash flows of financial assets	-	-	-	-
Unwind of discount(a)	-	-	-	-
Total net P&L charges during the year	**17,160**	**-**	**-**	**17,160**
Other movements with no P&L impact				
FX and other movements	(122,599)	-	-	(122,599)
Transfer from Stage 2 to Stage 3	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-
Financial assets derecognised during the year	-	-	-	-
Write-offs	-	-	-	-
Loss allowance as at 31 December 2022	**103,882**	**-**	**-**	**103,882**

Loans and advances to Banks

Loans and advances to Banks

USD'000	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
USD'000	**Stage 1 12-month ECL**	**Stage 2 Lifetime ECL**	**Stage 3 Lifetime ECL**	**Total**
Loss allowance as at 1 January 2023	86	-	8,512	8,598
Movements with P&L impact				
New financial assets originated or purchased	-	-	-	-
Changes in PDs/LGDs/EADs	-	1,403	2,259	3,662
Changes to model assumptions and methodologies	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-
Unwind of discount(a)	-	-	-	-
Total net P&L charge during the year	**-**	**1,403**	**2,259**	**3,662**
Other movements with no P&L impact				
FX and other movements	(86)	-	333	247
Transfer from Stage 2 to Stage 3	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-
Financial assets derecognised during the year	-	-	-	-
Write-offs	-	-	-	-
Loss allowance as at 31 December 2023	**-**	**1,403**	**11,104**	**12,507**

Loans and advances to Banks

USD'000	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Loss allowance as at 1 January 2022	1,365	-	-	1,365
Movements with P&L impact				
New financial assets originated or purchased	-	-	-	-
Changes in PDs/LGDs/EADs		-	-	-
Changes to model assumptions and methodologies	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-
Unwind of discount(a)	-	-	-	-
Total net P&L charge during the year	**-**	**-**	**-**	**-**
Other movements with no P&L impact				
FX and other movements	(1,279)	-	8,512	7,233
Transfer from Stage 2 to Stage 3	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-
Financial assets derecognised during the year	-	-	-	-
Write-offs	-	-	-	-
Loss allowance as at 31 December 2022	**86**	**-**	**8,512**	**8,598**

(All amounts in thousands of US dollars unless otherwise stated)

Off Balance sheet

USD'000	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Loss allowance as at 1 January 2023	8,379	1,027	1,396	10,802
Movements with P&L impact				
New financial assets originated or purchased	936	(689)	-	247
Changes in PDs/LGDs/EADs	-	-	-	-
Changes to model assumptions and methodologies	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-
Unwind of discount(a)	-	-	-	-
Total net P&L charge during the year	**936**	**(689)**	**-**	**247**
Other movements with no P&L impact				
FX and other movements	(6,515)	8,131	3,752	5,368
Transfer from Stage 2 to Stage 3	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-
Financial assets derecognised during the year	-	-	-	-
Write-offs	-	-	-	-
Loss allowance as at 31 December 2023	**2,800**	**8,469**	**5,148**	**16,417**

Off Balance sheet

USD'000	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Loss allowance as at 1 January 2022	13,161	59	13	13,233
Movements with P&L impact				
New financial assets originated or purchased	388	-	-	388
Changes in PDs/LGDs/EADs	-	-	-	-
Changes to model assumptions and methodologies	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-
Unwind of discount(a)	-	-	-	-
Total net P&L charge during the year	**388**	**-**	**-**	**388**
Other movements with no P&L impact				
FX and other movements	(5,170)	968	1,383	(2,819)
Transfer from Stage 2 to Stage 3	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-
Financial assets derecognised during the year	-	-	-	-
Write-offs	-	-	-	-
Loss allowance as at 31 December 2022	**8,379**	**1,027**	**1,396**	**10,802**

4.1.8 Loans and advances exposure by internal rating
4.1.8 (a) Loans and advances to customers by facility risk rating

Credit Rating	31 December 2023		31 December 2022	
	Loans and advances US$'000		Loans and advances US$'000	
1	245,320	2%	434,067	4%
2	18,172	0%	20,547	0%
3	40,942	0%	177,252	2%
4	613,383	6%	633,729	6%
5	1,397,225	13%	1,944,098	17%
6	6,717,327	61%	6,538,507	57%
7	874,773	8%	655,204	6%
8	554,482	5%	518,942	5%
9	378,517	3%	280,716	2%
10	221,668	2%	317,950	3%
	11,061,809	**100%**	**11,521,012**	**100%**

4.1.8 (b) Loans and advances to customers by internal rating

Group's rating	31 December 2023				31 December 2022			
	Loans and advances US$'000		Impairment provision US$'000		Loans and advances US$'000		Impairment provision US$'000	
1 Current	8,278,856	75%	52,510	1%	9,367,774	81%	53,336	1%
1A. Watchlist	753,513	7%	6,828	1%	380,426	3%	8,189	2%
II. Substandard	1,429,255	13%	139,985	10%	1,174,146	10%	139,513	12%
III. Doubtful	510,156	5%	223,911	44%	519,957	5%	275,383	53%
IV. Loss	90,029	1%	95,822	106%	78,709	1%	41,686	53%
	11,061,809	**100%**	**519,056**	**5%**	**11,521,012**	**100%**	**518,107**	**4%**

4.1.8 (c) Other Financial Instruments by internal rating

US$'000	31 December 2023		31 December 2022		31 December 2023		31 December 2022	
	Balances with central banks		Balances with central banks		Treasury bills and other eligible bills		Treasury bills and other eligible bills	
1	3,941	0%	270,383	7%	-	0%	-	0%
2	160,440	5%	42,291	1%	-	0%	13,471	1%
3	-	0%	-	0%	982	0%	-	0%
4	310,542	9%	295,559	8%	2,673	0%	4,036	0%
5	617,554	19%	421,233	12%	122,124	8%	348,309	14%
6	1,279,901	39%	2,458,115	68%	1,193,738	75%	1,933,426	79%
7	901,105	28%	120,039	3%	236,312	15%	156,497	6%
8	-	0%	-	0%	39,799	2%	-	0%
9	-	0%	-	0%	-	0%	-	0%
10	-	0%	-	0%	-	0%	-	0%
	3,273,483	**100%**	**3,607,620**	**100%**	**1,595,628**	**100%**	**2,455,739**	**100%**

(All amounts in thousands of US dollars unless otherwise stated)

US$'000	31 December 2023		31 December 2022		31 December 2023		31 December 2022	
	Loans and advances to banks		Loans and advances to banks		Trading financial assets		Trading financial assets	
1	24	0%	7	0%	-	0%	-	0%
2	106,174	5%	84,147	6%	-	0%	950	1%
3	302,926	13%	121,403	8%	25	0%	-	0%
4	969,479	43%	418,002	28%	69	0%	285	0%
5	112,276	5%	41,847	3%	3,159	8%	24,565	14%
6	750,685	33%	827,764	55%	30,881	75%	136,358	79%
7	8,331	0%	8,795	1%	6,113	15%	11,037	6%
8	-	0%	-	0%	1,031	2%	-	0%
9	-	0%	-	0%	-	0%	-	0%
10	4,485	0%	3,200	0%	-	0%	-	0%
	2,254,380	**100%**	**1,505,165**	**100%**	**41,278**	**100%**	**173,195**	**100%**

US$'000	31 December 2023		31 December 2022		31 December 2023		31 December 2022	
	Investment securities		Investment securities		Pledged assets		Pledged assets	
1	-	0%	-	0%	-	0%	-	0%
2	-	0%	39,548	1%	-	0%	845	1%
3	4,238	0%	-	0%	70	0%	-	0%
4	11,540	0%	11,848	0%	189	0%	253	0%
5	527,342	8%	1,022,566	14%	8,652	8%	21,838	14%
6	5,154,654	75%	5,676,162	79%	84,570	75%	121,222	79%
7	1,020,416	15%	459,445	6%	16,742	15%	9,812	6%
8	171,857	2%	-	0%	2,819	2%	-	0%
9	-	0%	-	0%	-	0%	-	0%
10	-	0%	-	0%	-	0%	-	0%
	6,890,047	**100%**	**7,209,569**	**100%**	**113,042**	**100%**	**153,970**	**100%**

US$'000	31 December 2023		31 December 2022	
	Contingent US$'000		Contingent US$'000	
1	318,328	9%	260,845	5%
2	6,775	0%	20,004	0%
3	177,306	5%	210,525	4%
4	355,590	10%	750,309	15%
5	374,845	11%	706,467	15%
6	1,836,464	52%	2,469,843	51%
7	309,947	9%	392,866	8%
8	94,612	3%	45,227	1%
9	15,074	0%	3,114	0%
10	13,183	0%	3,695	0%
	3,502,124	**100%**	**4,862,895**	**100%**

4.1.9 Loans and advances by status

Loans and advances are summarised as follows:

US$'000	31 December 2023		31 December 2022	
	Loans and advances to banks	Loans and advances to customers	Loans and advances to banks	Loans and advances to customers
Neither past due nor in default	2,235,055	9,032,369	1,492,053	9,748,200
Past due but not in default	3,549	1,429,255	-	1,174,146
Default	15,776	600,185	13,112	598,666
Gross	**2,254,380**	**11,061,809**	**1,505,165**	**11,521,012**
Less: allowance for impairment	(12,507)	(519,056)	(8,598)	(518,107)
Net	**2,241,873**	**10,542,753**	**1,496,567**	**11,002,905**

Other financial assets are neither past due nor in default except for investment securities ,off balance sheet and other assets with impairment provision in note 4.1.7, note 35 and note 25 respectively.

(a) Loans and advances neither past due nor in default

31 December 2023

	Loans and advances to customers											
	CIB			Commercial				Consumer				Total
Grades:	Overdrafts	Term loans	Others	Overdrafts	Credit cards	Term loans	Others	Overdrafts	Credit cards	Term loans	Mortgages	
Current	726,144	5,156,910	–	135,143	–	1,148,197	–	18,260	1,013	960,588	132,601	8,278,856
Watchlist	93,688	515,593	–	17,987	–	87,148	–	84	86	35,248	3,679	753,513
Total	**819,832**	**5,672,503**	**–**	**153,130**	**–**	**1,235,345**	**–**	**18,344**	**1,099**	**995,836**	**136,280**	**9,032,369**

(All amounts in thousands of US dollars unless otherwise stated)

31 December 2022

	Loans and advances to customers												
	CIB			Commercial				Consumer					Total
Grades:	Overdrafts	Term loans	Others	Overdrafts	Credit cards	Term loans	Others	Overdrafts	Credit cards	Term loans	Mortgages		
Current	645,028	6,170,680	–	186,090	–	1,294,675	–	35,203	1,542	911,814	122,742		9,367,774
Watchlist	32,970	255,454	–	30,610	–	43,336	–	137	-	14,818	3,101		380,426
Total	**677,998**	**6,426,134**	**–**	**216,700**	**–**	**1,338,011**	**–**	**35,340**	**1,542**	**926,632**	**125,843**		**9,748,200**

All loans and advances to banks are neither past due nor in default and all fall under the 'current' grade:

(b) Loans and advances past due but not in default

Loans and advances less than 90 days past due are not considered in default, unless other information is available to indicate the contrary. Gross amount of loans and advances by class of customers that were past due but not in default were as follows:

31 December 2023

	CIB			Commercial				Consumer				Total
Past due	Overdrafts	Term loans	Others	Overdrafts	Credit cards	Term loans	Others	Overdrafts	Credit cards	Term loans	Mortgages	
Past due up from 31 days	807	16,841	-	1,197	-	36,742	-	6	-	3,245	148	58,986
Past due 30-60 days	2,259	129,230	-	1,182	-	33,022	-	184	-	12,492	1,447	179,816
Past due 60-90 days	32,888	998,449	–	25,981	–	118,505	–	1,360	11	10,669	2,590	1,190,453
Total	**35,954**	**1,144,520**	**–**	**28,360**	**–**	**188,269**	**–**	**1,550**	**11**	**26,406**	**4,185**	**1,429,255**
Fair value of collateral	(11,607)	(369,499)	-	(9,156)	-	(60,781)	-	(500)	(4)	(8,525)	(1,351)	(461,423)
Amount of (over)/ under collateralisation	**24,347**	**775,021**	**-**	**19,204**	**-**	**127,488**	**-**	**1,050**	**7**	**17,881**	**2,834**	**967,832**

31 December 2022

	CIB			Commercial				Consumer				Total
Past due	Overdrafts	Term loans	Others	Overdrafts	Credit cards	Term loans	Mortgages	Overdrafts	Credit cards	Term loans	Mortgages	
Past due up from 31 days	425	3,483	-	12,773	-	126,490	-	183	-	2,633	8,260	154,247
Past due 30-60 days	525	242,921	-	307	-	9,767	-	94	-	10,692	295	264,601
Past due 60-90 days	12,829	577,890	–	23,771	–	119,385	–	420	–	17,382	3,621	755,298
Total	**13,779**	**824,294**	**–**	**36,851**	**–**	**255,642**	**–**	**697**	**–**	**30,707**	**12,176**	**1,174,146**
Fair value of collateral	(12,199)	(540,187)	-	(19,748)	-	(19,432)	-	(817)	-	(27,713)	(12,090)	(632,186)
Amount of (over)/ under collateralisation	**1,580**	**284,107**	**-**	**17,103**	**-**	**236,210**	**-**	**(120)**	**-**	**2,994**	**86**	**541,960**

Upon initial recognition of loans and advances, the fair value of collateral is based on valuation techniques commonly used for the corresponding assets. In subsequent periods, the fair value is updated by reference to market price.

(c) Loans and advances individually in default

i) Loans and advances to customers

The breakdown of the gross amount of individually in default loans and advances by class, along with the fair value of related collateral held by the Group as security, are as follows:

31 December 2023

	CIB			Commercial				Consumer				Total
Past due	**Overdrafts**	**Term loans**	**Others**	**Overdrafts**	**Credit cards**	**Term loans**	**Others**	**Overdrafts**	**Credit cards**	**Term loans**	**Mortgages**	
Gross	14,631	425,993	–	30,120	–	76,166	–	12,078	19	39,265	1,913	600,185
Impairment allowance	(12,886)	(184,438)	–	(19,122)	–	(58,910)	–	(9,428)	(4)	(33,681)	(1,264)	(319,733)
	1,745	**241,555**	**–**	**10,998**	**–**	**17,256**	**–**	**2,650**	**15**	**5,584**	**649**	**280,452**
Fair value of collateral	(3,221)	(445,954)	–	(20,303)	–	(31,856)	–	(4,892)	–	(10,308)	(1,198)	(517,732)
Amount of (over) / under collateralisation	**(1,476)**	**(204,399)**	**–**	**(9,305)**	**–**	**(14,600)**	**–**	**(2,242)**	**15**	**(4,724)**	**(549)**	**(237,280)**

31 December 2022

	CIB			Commercial				Consumer				Total
Past due	**Overdrafts**	**Term loans**	**Others**	**Overdrafts**	**Credit cards**	**Term loans**	**Others**	**Overdrafts**	**Credit cards**	**Term loans**	**Mortgages**	
Gross	22,130	433,414	–	28,961	–	57,648	–	16,202	–	37,735	2,576	598,666
Impairment allowance	(4,103)	(190,901)	–	(24,992)	–	(50,166)	–	(15,754)	–	(30,379)	(774)	(317,069)
	18,027	**242,513**	**–**	**3,969**	**–**	**7,482**	**–**	**448**	**–**	**7,356**	**1,802**	**281,597**
Fair value of collateral	(23,834)	(752,187)	–	(10,335)	–	(31,900)	–	(7,446)	–	(13,282)	(5,202)	(844,186)
Amount of (over) / under collateralisation	**(5,807)**	**(509,674)**	**–**	**(6,366)**	**–**	**(24,418)**	**–**	**(6,998)**	**–**	**(5,926)**	**(3,400)**	**(562,589)**

(All amounts in thousands of US dollars unless otherwise stated)

(d) Other assets with exposure to credit risks

31 December 2023	Balances with central banks	Trading financial assets	Derivative financial instruments	Treasury bills and other eligible bills	Investment securities	Pledged assets	Other assets less prepayments and repossessed assets	Total
Neither past due nor default	3,273,483	41,278	78,057	1,595,628	5,909,099	113,042	887,778	11,898,365
Past due but not in default	–	–	–	–	–	–	1,179	1,179
In Default	–	15,358	–	–	534,113	–	868	550,339
Purchased originated credit impairment	–	–	–	–	446,835	–	–	446,835
Gross	**3,273,483**	**56,636**	**78,057**	**1,595,628**	**6,890,047**	**113,042**	**889,825**	**12,896,718**
Less: allowance for impairment	–	–	–	–	(267,992)	–	(8,405)	(276,397)
Net	**3,273,483**	**56,636**	**78,057**	**1,595,628**	**6,622,055**	**113,042**	**881,420**	**12,620,321**
Carrying amounts	**3,273,483**	**56,636**	**78,057**	**1,595,628**	**6,622,055**	**113,042**	**881,420**	**12,620,321**

31 December 2022	Balances with central banks	Trading financial assets	Derivative financial instruments	Treasury bills and other eligible bills	Investment securities	Pledged assets	Other assets less prepayments and repossessed assets	Total
Neither past due nor default	3,607,620	23,116	137,468	2,455,739	6,024,593	153,970	866,893	13,269,399
Past due but not in default	–	–	–	–	–	–	89,824	89,824
In Default	–	150,079	–	–	1,184,976	–	–	1,335,055
Gross	**3,607,620**	**173,195**	**137,468**	**2,455,739**	**7,209,569**	**153,970**	**956,717**	**14,694,278**
Less: allowance for impairment	–	–	–	–	(205,135)	–	(103,882)	(309,017)
Net	**3,607,620**	**173,195**	**137,468**	**2,455,739**	**7,004,434**	**153,970**	**852,835**	**14,385,261**
Carrying amounts	**3,607,620**	**173,195**	**137,468**	**2,455,739**	**7,004,434**	**153,970**	**852,835**	**14,385,261**

4.1.10 Concentration of risks of financial assets with credit risk exposure

a) Geographical sectors

The following table breaks down the Group's main credit exposure at their carrying amounts, as categorised by geographical region as of 31 December 2023 and 31 December 2022. For this table, the Group has allocated exposures to regions based on the country of domicile of our counterparties.

As at 31 December 2023	UEMOA	NIGERIA	AWA	CESA	OTHERS	Total
Balances with central banks	579,281	991,751	804,726	735,150	162,575	3,273,483
Trading financial assets	–	3,780	29,654	7,844	–	41,278
Derivative financial instruments	22,595	19,137	–	–	36,325	78,057
Loans and advances to banks	493,482	243,625	469,429	742,146	305,698	2,254,380
Loans and advances to customers:						
Corporate and Investment Banking						
• Overdrafts	440,812	19,013	142,544	242,513	25,536	870,418
• Term loans	3,263,674	1,804,105	704,936	774,504	695,796	7,243,015
Consumer Banking						
• Overdrafts	10,156	–	10,206	11,610	–	31,972
• Credit cards	–	–	976	152	–	1,128
• Term loans	652,286	39,400	145,043	224,780	–	1,061,509
• Mortgages	82,706	1,352	38,019	20,301	–	142,378
Commercial Banking						
• Overdrafts	67,102	187	63,929	80,391	–	211,609
• Term loans	589,036	121,856	341,449	447,439	–	1,499,780
Treasury bills and other eligible bills	70,105	403,267	396,970	725,286	–	1,595,628
Investment securities – debt securities	3,718,044	292,908	1,271,373	1,502,020	105,702	6,890,047
Pledged assets	–	113,042	–	–	–	113,042
Other assets excluding prepayments and repossessed	237,053	269,470	92,017	163,906	125,332	887,778
Total	**10,226,332**	**4,322,893**	**4,511,271**	**5,678,042**	**1,456,964**	**26,195,502**
Credit commitments	**1,417,233**	**435,961**	**657,324**	**906,437**	**85,169**	**3,502,124**

(All amounts in thousands of US dollars unless otherwise stated)

As at 31 December 2022	UEMOA	NIGERIA	AWA	CESA	OTHERS	Total
Balances with central banks	600,044	1,331,858	692,452	700,381	282,885	3,607,620
Trading financial assets	–	19,553	134,459	19,183	–	173,195
Derivative financial instruments	21,810	63,366	–	–	52,292	137,468
Loans and advances to banks	414,650	282,766	395,586	282,320	123,742	1,499,064
Loans and advances to customers:						
Corporate and Investment Banking						
• Overdrafts	324,316	15,938	177,081	206,238	–	723,573
• Term loans	2,953,739	2,237,248	831,655	875,184	913,354	7,811,180
Consumer Banking						
• Overdrafts	11,017	5,312	17,400	18,691	–	52,420
• Credit cards	–	–	1,348	194	–	1,542
• Term loans	559,744	71,135	150,976	204,799	–	986,654
• Mortgages	76,203	–	36,579	26,977	–	139,759
Commercial Banking						
• Overdrafts	57,228	65,277	83,619	75,795	–	281,919
• Term loans	523,475	186,538	322,862	491,090	–	1,523,965
Treasury bills and other eligible bills	165,026	1,039,010	336,286	915,417	–	2,455,739
Investment securities – debt securities	4,454,463	340,959	1,077,172	1,336,746	229	7,209,569
Pledged assets	–	153,970	–	–	–	153,970
Other assets excluding prepayments and repossessed	105,362	389,110	151,044	204,179	107,022	956,717
Total	**10,267,077**	**6,202,040**	**4,408,519**	**5,357,194**	**1,479,524**	**27,714,354**
Credit commitments	**1,394,817**	**946,801**	**677,867**	**1,732,531**	**110,879**	**4,862,895**

4.1.10 Concentration of risks of financial assets with credit risk exposure

b) Industry sectors

The following table breaks down the Group's main credit exposure at their carrying amounts, as categorised by the industry sectors of our counterparties.

31 December 2023	Financial institutions	Wholesale & retail trading	Manufacturing	Government	Mining & construction	Services & others	Total
Balances with central banks	3,273,483	–	–	–	–	–	3,273,483
Trading financial assets	12,569	–	–	28,709	–	–	41,278
Derivative financial instruments	55,462	–	–	22,595	–	–	78,057
Loans and advances to banks	2,013,731	76,087	87,886	63,035	–	13,641	2,254,380
Loans and advances to customers:							
• Overdrafts	138,591	321,280	122,852	71,451	260,986	198,839	1,113,999
• Credit cards	171	244	195	366	–	152	1,128
• Term loans	671,081	1,751,916	764,102	2,034,446	736,225	3,846,534	9,804,304
• Mortgages	8,147	6,560	3,435	7,018	8,058	109,160	142,378
Treasury bills and other eligible bills	181,362	–	–	1,343,796	70,470	–	1,595,628
Investment securities – debt securities	416,122	–	–	6,472,313	1,612	–	6,890,047
Pledged assets	–	–	–	113,042	–	–	113,042
Other assets excluding prepayments and repossessed assets	322,824	119,290	691	11,447	–	433,526	887,778
Total	**7,093,543**	**2,275,377**	**979,161**	**10,168,218**	**1,077,351**	**4,601,852**	**26,195,502**
Credit commitments	**740,548**	**858,000**	**115,259**	**40,023**	**529,662**	**1,218,632**	**3,502,124**
31 December 2022							
Balances with central banks	3,607,620	–	–	-	–	–	3,607,620
Trading financial assets	145,330	–	–	27,865	–	–	173,195
Derivative financial instruments	115,658	–	–	21,810	–	–	137,468
Loans and advances to banks	1,333,083	–	–	7,854	–	158,127	1,499,064
Loans and advances to customers:							
• Overdrafts	9,900	349,717	123,012	27,803	98,100	449,380	1,057,912
• Credit cards	-	-	-	-	-	1,542	1,542
• Term loans	194,310	2,013,594	1,019,724	1,728,392	704,293	4,661,486	10,321,799
• Mortgages	27	5,038	6,948	3,516	5,694	118,536	139,759
Treasury bills and other eligible bills	1,627,293	-	-	783,698	-	44,748	2,455,739
Investment securities – debt securities	625,208	-	-	6,584,361	-	-	7,209,569
Pledged assets	153,970	-	-	-	-	-	153,970
Other assets excluding prepayments and repossessed assets	316,921	81,263	-	8,272	-	550,261	956,717
Total	**8,129,320**	**2,449,612**	**1,149,684**	**9,193,571**	**808,087**	**5,984,080**	**27,714,354**
Credit commitments	**2,036,329**	**815,125**	**171,019**	**191,664**	**462,687**	**1,186,071**	**4,862,895**

(All amounts in thousands of US dollars unless otherwise stated)

4.2 Market risk

Market risk is the risk that changes in market prices, which include currency exchange rates and interest rates, will affect the fair value or future cash flows of a financial instrument. Market risk arises from open positions in interest rates and foreign currencies, both of which are exposed to general and specific market movements and changes in the level of volatility. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while optimising the return on risk. Overall responsibility for managing market risk rests with the Group Risk Management and the Board's Risk Committee. The Group Risk Management is responsible for the development of detailed risk management policies and procedures (subject to review and approval Board's Risk Committee) and for the day to day implementation of those policies.
It will be worth noted that due to significant currency evolution , the year end exposure of foreign exchange and interest rate sensitivity analysis may be unrepresentative of the exposure during the year.

The market risks arising from trading and non-trading activities are concentrated in Group Treasury. Regular reports are submitted to the Board of Directors and heads of each business unit. Trading portfolios include those positions arising from market-making transactions where the Group acts as principal with clients or with the market. Non-trading portfolios primarily arise from the interest rate management of the subsidiary's banking assets and liabilities. Non-trading portfolios also consist mainly of foreign exchange risks arising from the Group's investment securities.

The Group applies a 'value at risk' methodology (VaR) to its trading portfolios, to estimate the market risk of positions held and the maximum losses expected.

Our VaR model is designed to take into account a comprehensive set of risk factors across all asset classes in our trading book. Our (VaR) model is predominantly based on historical simulation which derives plausible future trading losses from the analysis of historic market prices.
We use a three-year historical dataset, a one-day holding period and a 99% confidence level. This means that we would expect daily mark-to-market trading losses to exceed the reported (VaR) not more than once in 100 trading days. These assumptions are aligned with international standards for market risk management.

The use of this approach does not prevent losses outside of these limits in the event of more significant market movements. To mitigate some of the (VaR) limitations and estimate losses associated with unusually severe market movements, we use other metrics designed for risk management purposes, including stressed (VaR), position risk and scenario analysis. Backtesting is also used to assess the accuracy of the (VaR) model, by comparing the results produced from the (VaR) model with the actual daily trading revenue.

	31 December 2023			31 December 2022		
	Low	Average	High	Low	Average	High
Foreign exchange risk	133	298	502	5	30	96
Interest risk	320	850	1,503	373	2,850	5,828

4.2.1 Foreign exchange risk

The Group takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. There are sets limits on the level of exposure by currency and in total 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 2023 and 31 December 2022. Included in the table are the Group's financial instruments at carrying amounts, categorised by currency.

As at 31 December 2023	Dollar	Euro	CFA	Naira	Cedis	Others	Total
Assets							
Cash and balances with central banks	537,279	225,406	1,107,887	1,004,315	636,784	419,052	3,930,723
Trading financial assets	7,358	–	–	3,780	29,653	487	41,278
Derivative financial instruments	18	58,899	–	19,140	–	–	78,057
Loans and advances to banks	468,896	627,227	555,323	130,748	182,639	277,040	2,241,873
Loans and advances to customers	2,656,079	550,904	5,762,239	589,290	461,039	523,202	10,542,753
Treasury bills and other eligible bills	63,874	–	395,787	403,267	153,300	579,400	1,595,628
Investment securities	933,601	71,729	5,063,588	6,605	156,411	390,121	6,622,055
Pledged assets	–	–	–	113,042	–	–	113,042
Other assets excluding prepayments and repossessed assets	235,619	77,792	294,557	144,424	72,826	54,155	879,373
Total financial assets	**4,902,724**	**1,611,957**	**13,179,381**	**2,414,611**	**1,692,652**	**2,243,457**	**26,044,782**
Liabilities							
Deposits from banks	157,898	482,839	854,914	121	84,930	7,416	1,588,118
Deposit from customers	4,503,519	516,246	10,077,892	1,710,150	1,315,948	1,850,193	19,973,948
Derivative financial instruments	–	15,533	–	28,770	–	–	44,303
Other borrowed funds	1,836,370	13,690	129,938	210,433	18,096	41,056	2,249,583
Other liabilities excluding accrued income	189,712	159,235	566,806	151,308	102,854	91,058	1,260,973
Total financial liabilities	**6,687,499**	**1,187,543**	**11,629,550**	**2,100,782**	**1,521,828**	**1,989,723**	**25,116,925**
Net on-statement of financial position	**(1,784,775)**	**424,414**	**1,549,831**	**313,829**	**170,824**	**253,734**	**927,857**
Credit commitments	**929,086**	**523,894**	**1,454,082**	**132,556**	**111,531**	**350,975**	**3,502,124**

Foreign Exchange Risk
Foreign exchange risk is the risk to earnings and capital arising from adverse movements in currency exchange rates that are used for valuation of open foreign currency positions.

Foreign exchange risk is generated not only when the Treasury department buys and sells currency from customers and counterparties, but also from other banking activities, such as remittances and currency transfers for customers, teller transactions, and accrual of interest on foreign currency loans and deposits. Accurate determination of open foreign currency positions can be done only from the books and records of the Bank.

FX risk is measured as the Net Open Position in a currency. E.g. for the Euro, the Euro NOP is the difference between assets and liabilities (including off-balance sheet assets and liabilities,) denominated in Euro. A positive number (Assets exceed Liabilities) represents a "Long" or "Overbought" position in the currency. A negative number (Assets are less than Liabilities) represents a "Short" or "Oversold" position in the currency.
Management of Foreign Exchange risk is done by placing limits against the maximum oversold or overbought individual currency positions and portfolio level at each affiliate. Net Open FX Positions are generally monitored and reported in terms of the U.S. dollar. Net Open FX Positions in the Trading Portfolio are marked-to-market daily at the close of the trading day using market FX rates obtained independently of the Traders. Profit and loss are reported in a daily Profit and Loss Report.

(All amounts in thousands of US dollars unless otherwise stated)

As at 31 December 2022	Dollar	Euro	CFA	Naira	Cedis	Others	Total
Assets							
Cash and balances with central banks	537,807	379,474	1,130,863	1,375,787	440,653	429,226	4,293,810
Trading financial assets	46,591	–	–	17,450	97,785	11,369	173,195
Derivative financial instruments	–	52,292	21,810	63,366	–	–	137,468
Loans and advances to banks	345,705	316,729	270,887	137,655	53,194	372,397	1,496,567
Loans and advances to customers	2,241,886	509,467	5,090,545	1,532,272	933,225	695,510	11,002,905
Treasury bills and other eligible bills	159,426	–	441,979	1,039,198	1,725	813,411	2,455,739
Investment securities	668,592	63,304	5,117,688	265,762	408,357	480,731	7,004,434
Pledged assets	–	–	–	153,970	–	–	153,970
Other assets excluding prepayments and repossessed assets	253,549	75,000	68,199	219,970	40,509	195,608	852,835
Total financial assets	**4,253,556**	**1,396,266**	**12,141,971**	**4,805,430**	**1,975,448**	**2,998,252**	**27,570,923**
Liabilities							
Deposits from banks	810,396	573,481	948,730	129	38,013	91,185	2,461,934
Deposit from customers	4,591,837	660,176	9,087,885	3,025,696	1,402,623	2,045,096	20,813,313
Derivative financial instruments	–	32,558	–	61,666	–	–	94,224
Other borrowed funds	1,748,137	22,795	100,509	359,500	9,374	38,077	2,278,392
Other liabilities excluding accrued income	193,430	96,293	225,300	303,244	90,971	46,595	955,833
Total financial liabilities	**7,343,800**	**1,385,303**	**10,362,424**	**3,750,235**	**1,540,981**	**2,220,953**	**26,603,696**
Net on-statement of financial position	**(3,090,244)**	**10,963**	**1,779,547**	**1,055,195**	**434,467**	**777,299**	**967,227**
Credit commitments	**2,209,428**	**494,383**	**1,437,045**	**-**	**421,398**	**300,641**	**4,862,895**

Currency Sensitivity Analysis

ETI periodically performs sensitivity analysis to determine the impact on Group's balance sheet resulting from a potential appreciation of the United States Dollars (USD) relative to the currencies to which the Group has major exposure namely; CFA Franc (FCFA), the Euro (EUR), the Nigerian Naira (NGN) and the Ghana Cedi (GHS). The results using data as of 31 December 2023 and 31 December 2022 are shown in the table below.

	31 December 2023			31 December 2022		
Overall impact						
Projected Appreciation of the USD	5%	10%	20%	5%	10%	20%
Estimated Impact on Net Asset Value ($ Million)	(101)	(202)	(403)	(127)	(254)	(507)
Impact for NGN						
Projected Appreciation of the USD	5%	10%	20%	5%	10%	20%
Estimated Impact on Net Asset Value ($ Million)	(12)	(23)	(47)	(39)	(78)	(155)
Impact for CFA						
Projected Appreciation of the USD	5%	10%	20%	5%	10%	20%
Estimated Impact on Net Asset Value ($ Million)	(58)	(115)	(230)	(71)	(143)	(285)
Impact for EUR						
Projected Appreciation of the USD	5%	10%	20%	5%	10%	20%
Estimated Impact on Net Asset Value ($ Million)	(16)	(32)	(63)	(0)	(1)	(2)
Impact for GHS						
Projected Appreciation of the USD	5%	10%	20%	5%	10%	20%
Estimated Impact on Net Asset Value ($ Million)	(6)	(13)	(25)	(16)	(32)	(65)

4.2.2 Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce losses in the event that unexpected movements arise. Limits are set on the level of mismatch of interest rate repricing that may be undertaken, which is monitored daily by Group Treasury.

The table below summarises the Group's exposure to interest rate risks. It includes the Group's financial instruments at carrying amounts, categorised by the earlier of contractual repricing or maturity dates. The Group's derivatives will be settled on a net basis.

As at 31 December 2023	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Non-interest bearing	Total
Assets							
Cash and balances with central banks	2,425,132	136,113	34,973	-	-	1,334,505	3,930,723
Trading financial assets	5,286	3,810	14,598	17,584	-	-	41,278
Derivative financial instruments	35,129	5,450	5,450	28,015	4,013	-	78,057
Loans and advances to banks	913,178	535,371	417,251	320,963	55,110	-	2,241,873
Loans and advances to customers	1,735,866	1,607,665	1,918,159	3,387,239	1,893,824	-	10,542,753
Treasury bills and other eligible bills	103,383	305,642	1,007,109	179,494	-	-	1,595,628
Investment securities	776,553	618,599	314,560	3,473,144	1,439,199	-	6,622,055
Pledged assets	-	403	210	55,601	56,828	-	113,042
Other assets excluding prepayments and repossessed assets	97,711	118,457	499,913	-	-	163,292	879,373
Total financial assets	**6,092,238**	**3,331,510**	**4,212,223**	**7,462,040**	**3,448,974**	**1,497,797**	**26,044,782**
Liabilities							
Deposits from banks	879,861	271,826	321,657	111,743	3,031	-	1,588,118
Deposit from customers	13,766,772	1,290,645	2,342,589	786,096	1,787,846	-	19,973,948
Derivative financial instruments	16,758	7,666	7,666	8,380	3,833	-	44,303
Borrowed funds	101,958	180,049	687,955	900,868	378,753	-	2,249,583
Other liabilities excluding accrued income	291,349	251,384	350,610	235,165	14,109	118,356	1,260,973
Total financial liabilities	**15,056,698**	**2,001,570**	**3,710,477**	**2,042,252**	**2,187,572**	**118,356**	**25,116,925**
Total interest repricing gap	**(8,964,460)**	**1,329,940**	**501,746**	**5,419,788**	**1,261,402**	**1,379,441**	**927,857**

(All amounts in thousands of US dollars unless otherwise stated)

As at 31 December 2022	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Non-interest bearing	Total
Assets							
Cash and balances with central banks	3,597,984	100,236	73,370	-	-	522,220	4,293,810
Trading financial assets	3,593	13,324	16,301	139,492	485	-	173,195
Derivative financial instruments	82,091	5,428	28,139	-	21,810	-	137,468
Loans and advances to banks	445,880	339,859	410,479	277,037	23,312	-	1,496,567
Loans and advances to customers	1,652,138	2,111,101	2,145,705	3,733,245	1,360,716	-	11,002,905
Treasury bills and other eligible bills	229,201	551,245	1,485,676	132,236	57,381	-	2,455,739
Investment securities	265,525	313,077	539,091	4,905,903	980,838	-	7,004,434
Pledged assets	-	-	153,970	-	-	-	153,970
Other assets excluding prepayments and repossessed assets	187,588	96,130	428,142	-	-	140,975	852,835
Total financial assets	**6,464,000**	**3,530,400**	**5,280,873**	**9,187,913**	**2,444,542**	**663,195**	**27,570,923**
Liabilities							
Deposits from banks	1,445,054	300,005	83,103	121,293	1,719	510,760	2,461,934
Deposit from customers	9,625,341	1,833,659	3,188,358	1,482,015	3,287,055	1,396,885	20,813,313
Derivative financial instruments	61,327	6,998	25,899	-	-	-	94,224
Borrowed funds	31,020	10,809	257,925	972,191	1,006,447	-	2,278,392
Other liabilities excluding accrued income	71,301	50,689	154,290	431,799	42,618	205,136	955,833
Total financial liabilities	**11,234,043**	**2,202,160**	**3,709,575**	**3,007,298**	**4,337,839**	**2,112,781**	**26,603,696**
Total interest repricing gap	**(4,770,043)**	**1,328,240**	**1,571,298**	**6,180,615**	**(1,893,297)**	**(1,449,586)**	**967,227**

Interest Rate Sensitivity Analysis
The Group performs a periodic analysis of the sensitivity of its one-year projected earnings to an increase or decrease in market interest rates assuming a parallel shift in yield curves and a constant balance sheet position and the results using data as of 31 December 2023 and 31 December 2022 are shown below.

31 December 2023

Projected Change in Interest Rates	25 basis points increase	50 basis points increase	100 basis points increase	25 basis points decrease	50 basis points decrease	100 basis points decrease
Estimated Impact on Earnings/Equity ($ Million)	8.6	17.3	34.6	(8.6)	(17.3)	(34.6)

31 December 2022

Projected Change in Interest Rates	25 basis points increase	50 basis points increase	100 basis points increase	25 basis points decrease	50 basis points decrease	100 basis points decrease
Estimated Impact on Earnings/Equity ($ Million)	9.4	18.7	37.4	(9.4)	(18.7)	(37.4)

4.3 Liquidity risk
Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. The consequence may be the failure to meet obligations to repay depositors and fulfil commitments to lend.

4.3.1 Liquidity risk management process

The Group's liquidity management process, as carried out within the Group and monitored by a separate team in Group Treasury, includes:

- 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;
- Maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- Monitoring statement of financial position liquidity ratios against internal and regulatory requirements; and
- Managing the concentration and profile of debt maturities.

4.3.2 Undiscounted cash flows

The table below presents the cash flows payable by the Group by remaining contractual maturities at the statement of financial position date. The amounts disclosed in the table are the contractual undiscounted cash flows. The Group manages the inherent liquidity risk based on expected undiscounted cash inflows.

As at 31 December 2023	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Total
Cash and balances with central banks	2,596,218	–	–	–	1,334,505	3,930,723
Trading financial assets	4,416	11,606	29,663	14	–	45,699
Derivative financial instruments	92	5,450	41,995	33,351	–	80,888
Loans and advances to banks	1,475,181	394,873	324,584	210,935	–	2,405,573
Loans and advances to customers	1,459,476	1,821,251	2,783,003	3,567,334	2,119,356	11,750,420
Treasury bills and other eligible bills	127,845	456,039	889,463	174,312	–	1,647,659
Investment securities	1,135,232	519,661	602,689	3,517,459	1,557,516	7,332,557
Pledged assets	403	210	55,601	59,650	–	115,864
Other assets excluding prepayments and repossessed assets	52,086	220,102	607,185	–	–	879,373
Total assets (expected maturity dates)	**6,850,949**	**3,429,192**	**5,334,183**	**7,563,055**	**5,011,377**	**28,188,756**
Liabilities						
Deposits from banks	1,314,070	89,414	65,528	168,838	–	1,637,850
Deposit from customers	16,368,757	762,698	1,825,587	1,609,376	180,772	20,747,190
Other borrowed funds	83,840	204,768	780,737	568,082	847,834	2,485,261
Other liabilities excluding accrued income	234,547	388,048	395,914	242,198	266	1,260,973
Derivative financial instruments	16,758	7,666	7,666	13,936	–	46,026
Total liabilities (contractual maturity dates)	**18,017,972**	**1,452,594**	**3,075,432**	**2,602,430**	**1,028,872**	**26,177,300**
Gap analysis	**(11,167,023)**	**1,976,598**	**2,258,751**	**4,960,625**	**3,982,505**	**2,011,456**
Off-balance sheet items						
Loan commitments	–	–	–	647,836	–	647,836
Guarantees, acceptances and other financial facilities	424,267	897,938	935,719	596,364	–	2,854,288
Total	**424,267**	**897,938**	**935,719**	**1,244,200**	**–**	**3,502,124**

(All amounts in thousands of US dollars unless otherwise stated)

As at 31 December 2022	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Total
Assets						
Cash and balances with central banks	2,568,620	-	-	-	1,725,190	4,293,810
Trading financial assets	29,723	46,421	25,713	47,435	34,800	184,092
Derivative financial instruments	1,789	-	113,873	23,071	-	138,733
Loans and advances to banks	875,059	218,633	230,813	243,745	60	1,568,310
Loans and advances to customers	2,243,226	2,399,212	2,122,432	2,648,415	2,558,055	11,971,340
Treasury bills and other eligible bills	354,800	842,933	1,245,287	94,047	-	2,537,067
Investment securities	1,292,258	100,821	511,170	3,114,812	2,046,426	7,065,487
Pledged assets	-	-	94,095	61,801	-	155,896
Other assets excluding prepayments and repossessed assets	48,138	177,325	627,372	-	-	852,835
Total assets (expected maturity dates)	**7,413,613**	**3,785,345**	**4,970,755**	**6,233,326**	**6,364,531**	**28,767,570**
Liabilities						
Deposits from banks	1,222,432	399,128	751,893	102,780	1,719	2,477,952
Deposit from customers	15,945,627	1,116,839	1,194,258	2,511,091	184,092	20,951,907
Borrowed funds	60,921	20,226	138,159	1,060,224	1,066,896	2,346,426
Derivative financial instruments	55,818	197,762	286,033	303,308	112,912	955,833
Other liabilities excluding accrued income	27,845	13,540	48,368	6,989	-	96,742
Total liabilities (contractual maturity dates)	**17,312,643**	**1,747,495**	**2,418,711**	**3,984,392**	**1,365,619**	**26,828,860**
Gap analysis	**(9,899,030)**	**2,037,850**	**2,552,044**	**2,248,934**	**4,998,912**	**1,938,710**
Off-balance sheet items						
Loan commitments	-	-	991,226	466,460	-	1,457,686
Guarantees, acceptances and other financial facilities	-	-	2,315,542	1,089,667	-	3,405,209
Total	**-**	**-**	**3,306,768**	**1,556,127**	**-**	**4,862,895**

Assets available to meet all of the liabilities and to cover outstanding loan commitments include cash, central bank balances, items in the course of collection and treasury and other eligible bills; loans and advances to banks; loans and advances to customers and other assets. In the normal course of business, a proportion of customer loans and advances contractually repayable within one year will be extended. The Group would also be able to meet unexpected net cash outflows by selling investment securities.

4.4 Offsetting

At 31 December 2023	Gross amount	Gross amount set-off on SOFP	Net amount presented on SOFP	Related amount not set-off on SOFP	Net amount
Derivative financial assets					
• forwards	75,978	-	75,978	-	75,978
• swaps	2,079	-	2,079	-	2,079
• options	-	-	-	-	-
Derivative financial liabilities					
• forwards	44,303	-	44,303	-	44,303
• swaps	-	-	-	-	-
options	-	-	-	-	-

At 31 December 2022	Gross amount	Gross amount set-off on SOFP	Net amount presented on SOFP	Related amount not set-off on SOFP	Net amount
Derivative financial assets					
• forwards	115,658	-	115,658	-	115,658
• swaps	21,810	-	21,810	-	21,810
• options	-	-	-	-	-
Derivative financial liabilities					
• forwards	83,581	-	83,581	-	83,581
• swaps	10,643	-	10,643	-	10,643
• options	-	-	-	-	-

There are no amounts that have been offsetted as at the year ended 31 December 2023 (December 2022 : nil).

4.5 Fair value of financial assets and liabilities

Fair value is a market-based measurement and uses the assumptions that market participants would use when pricing an asset or liability under current market conditions. When determining fair value it is presumed that the entity is a going concern and is not an amount that represents a forced transaction, involuntary liquidation or a distressed sale.

(a) Financial instruments not measured at fair value

The table below summarises the carrying amounts and fair values of those financial assets and liabilities not measured at fair value on the group's consolidated statement of financial position.

	Carrying value		Fair value	
	31 Dec. 2023	31 Dec. 2022	31 Dec. 2023	31 Dec. 2022
Financial assets:				
Cash and balances with central banks	3,930,723	4,293,810	3,930,723	4,293,810
Loans and advances to banks	2,254,380	1,505,165	2,263,152	1,499,725
Loans and advances to customers	11,061,809	11,521,012	11,169,143	11,721,340
Other assets excluding prepayments and repossessed assets	879,373	852,835	879,373	852,835
Financial liabilities:				
Deposits from banks	1,588,118	2,461,934	1,638,093	2,454,657
Deposit from customers	19,973,948	20,813,313	20,065,715	20,881,908
Other liabilities, excluding accrued income	1,260,973	955,833	1,260,973	955,833
Borrowed funds	2,249,583	2,278,392	2,283,091	2,293,588

All the fair values are determined using the Level 2 fair value hierarchy.

Management do not believe any greater disaggregation of the items shown in the table above other than the line items presented in the statement of financial position would provide any more meaningful information nor have an impact on the fair value amounts disclosed.

(All amounts in thousands of US dollars unless otherwise stated)

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

(ii) Loans and advances to banks
Loans and advances to banks include inter-bank placements and items in the course of collection. The carrying amount of floating rate placements and overnight deposits is a reasonable approximation of fair value. The estimated fair value of fixed interest bearing deposits is based on discounted cash flows using prevailing money-market interest rates for debts with similar credit risk and remaining maturity.

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

(iv) Deposit from banks, due to customers and other deposits
The estimated fair value of deposits with no stated maturity, which includes non-interest bearing deposits, is the amount repayable on demand.

The estimated fair value of fixed interest-bearing deposits not quoted in an active market is based on discounted cash flows using interest rates for new debts with similar remaining maturity. For those notes where quoted market prices are not available, a discounted cash flow model is used based on a current yield curve appropriate for the remaining term to maturity.

(v) Other assets
The bulk of these financial assets have short term (less than 12 months) maturities and their amounts are a reasonable approximation of fair value.

(vi) Other liabilities
The carrying amount of financial liabilities in other liabilities is a reasonable approximation of fair value because these are short term in nature with a maturity of less than one year.

(vii) Borrowed Funds
The estimated fair value of borrowed funds represents the discounted amount of estimated future cash flows expected to be paid. Expected cash flows are discounted at current market rates to determine the fair value. This will take into account closest similar instruments with similar coupons and maturities where available.

(b) Fair value hierarchy
IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

i) **Level 1** – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.
ii) **Level 2** – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
iii) **Level 3** – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components.

This hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in its valuations where possible.

	31 December 2023			31 December 2022		
	Level 1	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Treasury and other eligible bills	780,165	815,463	–	275,525	2,180,214	–
Trading financial assets	40,791	487	–	48,361	124,834	–
Derivative financial instruments	–	78,057	–	–	137,468	–
Pledged assets	–	113,042	–	–	153,970	–
Investment securities	1,464,625	5,046,552	109,926	394,900	6,487,820	121,714
Total financial assets	**2,285,581**	**6,053,601**	**109,926**	**718,786**	**9,084,306**	**121,714**
Derivative financial instruments	-	44,303	-	-	94,224	-
Total financial liabilities	**-**	**44,303**	**-**	**-**	**94,224**	**-**

There are no movements between Level 1 and Level 2. The following table presents the changes in Level 3 instruments for the investment securities:

	31 Dec. 2023 Level 3	31 Dec. 2022 Level 3
Opening balance	121,714	119,899
Disposal	-	-
Transfer from level 2 to level 3	-	-
Exchange difference	16,111	1,815
Gains & losses recognised in the income statement	-	-
Gains & losses recognised in other comprehensive income	(27,899)	–
Closing balance	**109,926**	**121,714**
Total gain for the year	**9,560**	**13,230**

Level 3 fair value measurement

The table below sets out some information about significant unobservable value inputs used at year end in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

S/N.	Type of Financial instrument	Fair Value as at 31 December 2023	Valuation Technique	Range Values 5%	Range Values -5%
1	FMDQ	2,575	Market approach (Comparable company or transactions) using performance metrics (EBITDA Earnings, etc.) from the latest audited financial statement.	2,704	2,446
2	Nigerian Automated Clearing System/ NIBSS	3,540	Market approach (Comparable company or transactions) using performance metrics (EBITDA Earnings, etc.) from the latest audited financial statement.	3,717	3,363
3	Credit Reference Company	182	Market approach (Comparable company or transactions) using performance metrics (EBITDA Earnings, etc.) from the latest audited financial statement.	191	173
4	Unified Payment Services Limited	99	Income approach (DCF) with forecast financials and cashflows.	104	94
5	African Finance Corporation	98,969	Market approach (Comparable company or transactions) using performance metrics (EBITDA Earnings, etc.) from the latest audited financial statement.	103,917	94,021
6	Accion Microfinance Limited	947	Market approach (Comparable company or transactions) using performance metrics (EBITDA Earnings, etc.) from the latest audited financial statement.	994	900
7	Afreximbank	3,614	Market approach (Comparable company or transactions) using performance metrics (EBITDA Earnings, etc.) from the latest audited financial statement.	3,795	3,433
	Total	**109,926**		**115,422**	**104,430**

(All amounts in thousands of US dollars unless otherwise stated)

4.5 Fair value of financial assets and liabilities

At 31 December 2023	Amortised cost	FVTPL	FVTOCI – Debt Instruments	Equity Instruments at FVTPL	FVTOCI – Equity instruments	Liabilities at fair value through profit or loss	Liabilities at amortised cost	Total
Assets								
Cash and balances with central banks	3,930,723	–	–	–	–	–	–	3,930,723
Trading financial assets	–	41,278	–	–	–	–	–	41,278
Derivative financial instruments	–	78,057	–	–	–	–	–	78,057
Loans and advances to banks	2,241,873	–	–	–	–	–	–	2,241,873
Loans and advances to customers	10,542,753	–	–	–	–	–	–	10,542,753
Treasury bills and other eligible bills	371,141	–	1,224,487	–	–	–	–	1,595,628
Investment securities – Equity instruments	–	–	–	94,333	109,926	–	–	204,259
Investment securities – Debt instruments	1,066,839	–	5,350,957	–	–	–	–	6,417,796
Pledged assets	113,042	–	–	–	–	–	–	113,042
Other assets excluding prepayments and repossessed assets	879,373	–	–	–	–	–	–	879,373
Total	**19,145,744**	**119,335**	**6,575,444**	**94,333**	**109,926**	**–**	**–**	**26,044,782**
Liabilities								
Deposits from banks	-	-	-	-	-	-	1,588,118	1,588,118
Deposit from customers	-	-	-	-	-	-	19,973,948	19,973,948
Derivative financial instruments	-	-	-	-	-	44,303	-	44,303
Borrowed funds	-	-	-	-	-	-	2,249,583	2,249,583
Other liabilities excluding accrued income	-	-	-	-	-	-	1,260,973	1,260,973
Total	**-**	**-**	**-**	**-**	**-**	**44,303**	**25,072,622**	**25,116,925**

31 December 2022	Amortised cost	FVTPL	FVTOCI – Debt Instruments	Equity Instruments at FVTPL	FVTOCI – Equity instruments	Liabilities at fair value through profit or loss	Liabilities at amortised cost	Total
Assets								
Cash and balances with central banks	4,293,810	–	–	–	–	–	–	4,293,810
Trading financial assets	17,815	155,380	–	–	–	–	–	173,195
Derivative financial instruments	–	137,468	–	–	–	–	–	137,468
Loans and advances to banks	1,496,567	–	–	–	–	–	–	1,496,567
Loans and advances to customers	11,002,905	–	–	–	–	–	–	11,002,905
Treasury bills and other eligible bills	276,791	–	2,178,948	–	–	–	–	2,455,739
Investment securities – Equity instruments	–	–	–	104,870	121,714	–	–	226,584
Investment securities – Debt instruments	307,621	–	6,470,229	–	–	–	–	6,777,850
Pledged assets	153,970	–	–	–	–	–	–	153,970
Other assets excluding prepayments and repossessed assets	852,835	–	–	–	–	–	–	852,835
Total	**18,402,314**	**292,848**	**8,649,177**	**104,870**	**121,714**	**–**	**–**	**27,570,923**
Liabilities								
Deposits from banks	-	-	-	-	-	-	2,461,934	2,461,934
Deposit from customers	-	-	-	-	-	-	20,813,313	20,813,313
Derivative financial instruments	-	-	-	-	-	94,224	-	94,224
Borrowed funds	-	-	-	-	-	-	2,278,392	2,278,392
Other liabilities excluding accrued income	-	-	-	-	-	-	955,833	955,833
Total	**-**	**-**	**-**	**-**	**-**	**94,224**	**26,509,472**	**26,603,696**

(All amounts in thousands of US dollars unless otherwise stated)

5 Financial Capital Management

The Group's capital management objectives are:

- To comply with the capital requirements set by regulators in the markets where the Group's entities operate and safeguard the Group's ability to continue as a going concern;
- To maintain a strong capital base that supports the development of the business; and
- To sustain a sufficient level of returns for the Group's shareholders.

On a consolidated basis, the Group is required to comply with Basel II/III capital requirements set by the BCEAO for banks headquartered in the UEMOA zone. On a standalone basis, banking subsidiaries are required to maintain minimum capital levels and minimum capital adequacy ratios which are determined by their national or regional regulators.

The Group's capital is divided into two tiers:

- Tier 1 capital: share capital (net of treasury shares), retained earnings, reserves created by appropriations of retained earnings, and non-controlling interests allowed as Tier 1 capital by the regulator. Certain intangibles and goodwill are deducted in calculating Tier 1 capital; and
- Tier 2 capital: subordinated debt and other loss-absorbing instruments, certain revaluation reserves, and noncontrolling interests allowed as Tier 2 capital by the regulator.

Risk-weighted assets are calculated in accordance with regulatory guidelines. Credit risk-weighted assets are measured by applying a hierarchy of risk weights related to the nature of the risks associated with each of the Group's on – and off-balance sheet asset classes. Operational risk weighted assets are calculated by applying a scaling factor to the Group's average gross income over the last three years. Market risk-weighted assets are calculated by applying factors to the Group's trading exposures to foreign currencies, interest rates, and prices.

The Group has remained compliant with the UEMOA minimum regulatory capital adequacy ratios for Regionally systemically important banks (8.5 % CET1 CAR, 9.5% Tier 1 CAR, and 12.5% for Total CAR). Regulatory capital ratios are submitted to our regulator every six months.

	31 December 2023	31 December 2022
Common Equity Tier 1 capital		
Share capital	2,113,961	2,113,961
Retained earnings	746,414	571,032
IFRS 9 Day One transition adjustment	–	74,825
Statutory reserves	676,059	748,268
Other reserves	(2,324,013)	(2,180,902)
Non-controlling interests	252,418	224,008
Less: goodwill and intangibles	(11,845)	(84,545)
Less: other deductions	–	–
Total CET 1 capital	**1,452,994**	**1,466,647**
Additional Tier 1 capital		
Additional Tier 1 instrument	75,000	75,000
Minority interests included in Tier 2 capital	22,788	23,628
Total Additional Tier 1 capital	**97,788**	**98,628**
Total qualifying Tier 1 capital	**1,550,782**	**1,565,275**
Tier 2 capital		
Subordinated debt and other instruments	418,536	476,095
Revaluation reserve	55,536	69,420
Minority interests included in Tier 2 capital	64,871	66,502
Total qualifying Tier 2 capital	**538,943**	**612,018**
Total regulatory capital	**2,089,725**	**2,177,293**
Risk-weighted assets:		
Credit risk-weighted assets	10,688,435	12,038,889
Market risk-weighted assets	87,073	35,674
Operational risk-weighted assets	3,157,639	3,281,166
Total risk-weighted assets	**13,933,147**	**15,355,730**
CET 1 Capital Adequacy Ratio	**10.4%**	**9.6%**
Tier 1 Capital Adequacy Ratio	**11.1%**	**10.2%**
Total Capital Adequacy Ratio	**15.0%**	**14.2%**

Notes to Consolidated Financial Statements

(All amounts in thousands of US dollars unless otherwise stated)

6 Segment Analysis

Operating segments are reported in accordance with the internal reporting provided to the Group Executive Committee (the chief operating decision-maker), which is responsible for allocating resources to the reportable segments and assesses its performance. All operating segments used by the group meet the definition of a reportable segment under IFRS 8.

The group operating segments are described below:

a) Corporate & Investment Bank: Focuses on providing one-stop banking services to multinationals, regional companies, government and government agencies, financial institutions and international organizations across the network. This unit provides also Treasury activities.

b) Commercial banking : Focuses on serving local corporates, small and medium corporates ,SMEs, Schools, Churches and local NGOs and Public Sector.

c) Consumer : Focuses on serving banking customers that are individuals.

All revenues are external revenues. Attributing revenue to geographical areas is based on affiliate geographical position and activities. The reconciling items are intercompany adjustments : mainly elimination of intra group dividend income and other intercompany assets and liabilities.

Segment assets and liabilities comprise operating assets and liabilities, being the majority of the statement of financial position, but exclude items such as taxation and borrowings.

The following table shows the Group's performance by business segments.

At 31 December 2023	CIB	Commercial	Consumer	Others	Total business segment	Consolidation adjustments	Ecobank Group
Interest income	1,499,623	262,837	136,424	10,666	1,909,550	(43,465)	1,866,085
Interest expense	(380,575)	(66,273)	(137,040)	(157,892)	(741,780)	44,347	(697,433)
Inter-segment (loss) / income	(466,202)	101,653	299,791	64,758	–	–	–
Fee and commission income	205,095	149,160	185,503	13,334	553,092	(13,516)	539,576
Fee and commission expense	(36,651)	(14,035)	(12,749)	(2,530)	(65,965)	1,947	(64,018)
Trading income and foreign exchange gains /(loss)	197,532	134,112	44,919	(15,323)	361,240	–	361,240
Other income	14,882	5,549	5,724	720,324	746,479	(688,263)	58,216
Operating income	**1,033,704**	**573,003**	**522,572**	**633,337**	**2,762,616**	**(698,950)**	**2,063,666**
Impairment charges on financial assets	(273,329)	(32,973)	(6,380)	(17,257)	(329,939)	-	(329,939)
Depreciation and amortization	(24,165)	(20,140)	(18,489)	(28,748)	(91,542)	1,397	(90,145)
Operating expenses	(409,622)	(291,907)	(313,112)	(140,985)	(1,155,626)	133,216	(1,022,410)
Operating profit	**326,588**	**227,983**	**184,591**	**446,347**	**1,185,509**	**(564,337)**	**621,172**
Share of post-tax results of associates	-	-	-	(2)	(2)	140	138
Net monetary loss arising from hyperinflationary economies	(17,179)	(15,683)	(7,086)	-	(39,948)	-	(39,948)
Profit before tax	**309,409**	**212,300**	**177,505**	**446,345**	**1,145,559**	**(564,197)**	**581,362**
Balance Sheet Highlights as at 31 December 2023							
Total assets	**15,470,470**	**2,276,411**	**1,182,888**	**4,039,329**	**22,969,098**	**4,261,067**	**27,230,165**
Total liabilities	**11,994,285**	**5,071,493**	**6,501,757**	**1,929,229**	**25,496,764**	**(1,054)**	**25,495,710**

At 31 December 2022	CIB	Commercial	Consumer	Others	Total business segment	Consolidation adjustments	Ecobank Group
Interest income	1,293,923	221,026	125,832	7,800	1,648,581	(31,127)	1,617,454
Interest expense	(331,994)	(65,501)	(105,989)	(131,935)	(635,419)	31,668	(603,751)
Inter-segment (loss) / income	(369,896)	87,221	249,729	32,946	-	-	-
Fee and commission income	217,268	146,491	170,021	33,293	567,073	(33,461)	533,612
Fee and commission expense	(33,287)	(19,184)	(9,402)	(3,553)	(65,426)	2,511	(62,915)
Trading income and foreign exchange gains /(loss)	184,744	95,893	33,310	(3,341)	310,606	-	310,606
Other income	24,550	5,333	6,220	287,702	323,805	(257,014)	66,791
Operating income	**985,308**	**471,279**	**469,721**	**222,912**	**2,149,220**	**(287,423)**	**1,861,797**
Impairment charges on financial assets	(199,070)	(32,835)	(16,879)	(48,291)	(297,075)	99,009	(198,066)
Non-conversion premium on bond	-	-	-	(40,000)	(40,000)	-	(40,000)
Depreciation and amortization*	(28,159)	(22,239)	(19,461)	(32,915)	(102,774)	1,492	(101,282)
Operating expenses	(408,885)	(268,761)	(296,631)	(131,572)	(1,105,849)	156,750	(949,099)
Operating profit	**349,194**	**147,444**	**136,750**	**(29,866)**	**603,522**	**(30,172)**	**573,350**
Share of post-tax results of associates	-	-	-	(40)	(40)	610	570
Net monetary loss arising from hyperinflationary economies	(15,869)	(12,989)	(5,033)	-	(33,891)	–	(33,891)
Profit before tax	**333,325**	**134,455**	**131,717**	**(29,906)**	**569,591**	**(29,562)**	**540,029**
Balance Sheet Highlights as at 31 December 2022							
Total assets	**16,252,647**	**2,371,379**	**1,116,807**	**3,931,886**	**23,672,719**	**5,331,450**	**29,004,169**
Total liabilities	**13,992,641**	**5,637,852**	**6,499,917**	**2,156,776**	**28,287,186**	**(1,310,032)**	**26,977,154**

* Depreciation and amortization, previously merged with operating expenses, have now been presented separately in the comparative segment information for 2022.

The reconciling items are intercompany adjustments mainly elimination of intra group dividend income, intercompany assets and liabilities and other adjustments for consolidation.

6.1 Entity-wide disclosures
The group is also further organised under the following geographical clusters:

i) Union Economique et Monétaire Ouest Africaine (UEMOA) region comprises all subsidiaries within the UEMOA monetary zone. Countries in this zone share a common currency except Cape Verde. This region currently includes subsidiaries in Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, Mali, Niger, Senegal, Togo and Guinea Bissau and any other related entities.

ii) Nigeria region is made up of Ecobank Nigeria and other related entities domiciled in Nigeria.

iii) Anglophone West Africa (AWA) region comprises all subsidiaries in West African countries not included in the common monetary zone described as UEMOA. This region currently includes subsidiaries in Ghana, Guinea, Liberia, Sierra Leone and Gambia and any other related entities.

iv) CESA Central, Eastern and Southern region comprises all subsidiaries within the CEMAC (Central African Economic and Monetary Community) , EAC (East African Community) and SADC (Southern African Development Community) monetary zone. Countries in this zone share a common currency except Sao Tomé. These countries are : Cameroon, Chad, Central Africa, Congo Brazzaville, Gabon, Sao Tome and Equatorial Guinea, Burundi, Kenya, Rwanda, Tanzania, Uganda and South Sudan, Democratic Republic of Congo, Malawi, Zambia, Zimbabwe and Mozambique and any other related entities.

Transactions between the business segments are carried out at arm's length. The revenue from external parties reported to the Group Executive Committee (GEC) is measured in a manner consistent with that in the consolidated income statement. Internal charges and transfer pricing adjustments have been reflected in the performance of each business. Revenue-sharing agreements are used to allocate external customer revenues to a business segment on a reasonable basis. 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 effects 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 event. As the GEC reviews operating profit, the results of discontinued operations are not included in the measure of operating profit. 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 GEC. Segment assets and liabilities comprise operating assets and liabilities, being the majority of the consolidated statement of financial position, but exclude items such as taxation.

Segment results of operations

The segment information provided to the Group Executive Board for the reportable segments for the year ended 31 December 2023 and December 2022 are as follows:

	UEMOA	NIGERIA	AWA	CESA	Others and consolidation adjustment	Ecobank Group
At 31 December 2023						
Net interest income	387,996	137,792	426,010	333,777	(116,923)	1,168,652
Non interest income	278,473	96,611	145,602	326,541	47,787	895,014
Operating income	**666,469**	**234,403**	**571,612**	**660,318**	**(69,136)**	**2,063,666**
Impairment charges on financial assets	(34,723)	(32,252)	(97,037)	(28,524)	(137,403)	(329,939)
Depreciation and amortization	(21,806)	(8,142)	(12,167)	(19,611)	(28,419)	(90,145)
Operating expenses	(291,554)	(167,419)	(238,663)	(285,586)	(39,188)	(1,022,410)
Operating profit	**318,386**	**26,590**	**223,745**	**326,597**	**(274,146)**	**621,172**
Share of post-tax results of associates	-	-	-	-	138	138
Net monetary loss arising from hyperinflationary economies	-	-	-	(39,948)	-	(39,948)
Profit before tax	**318,386**	**26,590**	**223,745**	**286,649**	**(274,008)**	**581,362**
Taxation	(45,164)	(3,364)	(75,365)	(61,774)	11,228	(174,439)
Profit after tax	**273,222**	**23,226**	**148,380**	**224,875**	**(262,780)**	**406,923**
Balance Sheet Highlights as at 31 December 2023						
Total assets	**10,894,681**	**4,403,278**	**5,105,137**	**6,583,335**	**243,734**	**27,230,165**
Total liabilities	**9,877,409**	**4,058,687**	**4,525,474**	**5,890,079**	**1,144,061**	**25,495,710**
At 31 December 2022						
Net interest income	330,275	107,265	388,978	298,273	(111,088)	1,013,703
Non interest income	241,648	131,996	164,555	261,778	48,117	848,094
Operating income	**571,923**	**239,261**	**553,533**	**560,051**	**(62,971)**	**1,861,797**
Impairment charges on financial assets	(43,503)	(17,225)	(182,598)	(44,526)	89,786	(198,066)
Non-conversion premium on bond	–	–	–	–	(40,000)	(40,000)
Depreciation and amortization*	(21,317)	(11,636)	(14,367)	(21,280)	(32,682)	(101,282)
Operating expenses	(268,490)	(179,212)	(232,125)	(266,564)	(2,708)	(949,099)
Operating profit	**238,613**	**31,188**	**124,443**	**227,681**	**(48,575)**	**573,350**
Share of post-tax results of associates	–	–	–	–	570	570
Net monetary loss arising from hyperinflationary economies	–	–	–	(33,891)	–	(33,891)
Profit before tax	**238,613**	**31,188**	**124,443**	**193,790**	**(48,005)**	**540,029**
Taxation	(41,908)	(4,969)	(39,420)	(41,096)	(45,945)	(173,338)
Profit after tax	**196,705**	**26,219**	**85,023**	**152,694**	**(93,950)**	**366,691**
Balance Sheet Highlights as at 31 December 2022						
Total assets	**10,832,619**	**6,486,754**	**5,116,301**	**6,830,893**	**(262,398)**	**29,004,169**
Total liabilities	**9,908,234**	**5,806,878**	**4,569,096**	**6,151,380**	**541,566**	**26,977,154**

* Depreciation and amortization, previously merged with operating expenses, have now been presented separately in the comparative segment information for 2022.

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(All amounts in thousands of US dollars unless otherwise stated)

7 Net interest income

Year ended 31 December	2023	2022
Interest income*		
Interest income calculated using the effective interest method		
Loans and advances to banks	111,606	56,080
Loans and advances to customers:		
• Corporate	693,317	564,778
• Commercial	192,515	172,786
• Consumer	131,419	124,576
Treasury bills and other eligible bills	248,126	221,007
Investment securities	463,270	456,649
Others	24,479	2,442
	1,864,732	**1,598,318**
Other interest income		
Trading financial assets	1,353	19,136
	1,866,085	**1,617,454**
Interest expense		
Deposits from banks	87,141	46,573
Due to customers:		
• Corporate	212,861	223,380
• Commercial	51,166	59,238
• Consumer	133,160	104,751
Borrowed funds	182,016	160,298
Interest expense for lease liabilities	3,146	4,277
Others	27,943	5,234
	697,433	**603,751**

* Interest income in the statement of comprehensive income has been disaggregated into interest income calculated using the effective interest rate method and other interest income for disclosure purposes only.

8 Net fee and commission income

	2023	2022
Fee and commission income		
Credit related fee and commission	135,197	140,871
Corporate finance fees	10,452	18,329
Portfolio and other management fees	10,348	13,032
Brokerage fees and commission	5,144	9,140
Cash management fees	281,111	236,046
Card management fees	84,351	94,733
Other fees	12,973	21,461
	539,576	**533,612**
Fee and commission expense		
Brokerage fees	7,810	2,434
Bank charges	18,189	33,161
Other fees	38,019	27,320
	64,018	**62,915**

The Group provides custody, trustee, investment management and advisory services to third parties, which involve the Group making allocation and purchase and sale decisions in relation to a wide range of financial instruments. Those assets that are held in a fiduciary capacity are not included in these financial statements.

Analysis of Net fee and commission income by Region

	UEMOA	NIGERIA	AWA	CESA	Other and consolidation adjustment	Total
31 December 2023						
Fee and commission income						
Credit related fees and commission	46,984	13,041	28,479	38,086	8,607	135,197
Corporate finance fees	6,690	–	3,586	176	–	10,452
Portfolio and other management fees	8,686	283	63	1,316	–	10,348
Brokerage fees and commission	808	779	24	3,533	–	5,144
Cash management fees	95,021	25,203	54,299	101,885	4,703	281,111
Card management fees	20,090	4,984	24,700	34,577	–	84,351
Other fees	1,889	1,007	4,577	4,726	774	12,973
Total	**180,168**	**45,297**	**115,728**	**184,299**	**14,084**	**539,576**
Fee and commission expense						
Brokerage fees	933	1,346	5,456	75	–	7,810
Bank charges	715	184	1,855	14,297	1,138	18,189
Other fees	8,406	13,858	4,478	6,140	5,120	38,019
Total	**10,054**	**15,388**	**11,789**	**20,512**	**6,258**	**64,018**
Net fees and commission	**170,114**	**29,909**	**103,939**	**163,787**	**7,826**	**475,558**
31 December 2022						
Fee and commission income						
Credit related fees and commission	35,022	21,176	29,547	43,374	11,752	140,871
Corporate finance fees	11,728	869	2,426	3,306	–	18,329
Portfolio and other management fees	11,925	350	150	607	–	13,032
Brokerage fees and commission	640	1,537	1,648	5,303	12	9,140
Cash management fees	73,825	21,693	50,948	85,499	4,081	236,046
Card management fees	17,533	22,229	23,610	31,098	263	94,733
Other fees	3,518	419	12,753	4,637	134	21,461
Total	**154,191**	**68,273**	**121,082**	**173,824**	**16,242**	**533,612**
Fee and commission expense						
Brokerage fees	726	1,554	–	154	–	2,434
Bank charges	589	16,345	2,500	11,854	1,873	33,161
Other fees	7,245	6,781	5,555	2,847	4,892	27,320
Total	**8,560**	**24,680**	**8,055**	**14,855**	**6,765**	**62,915**
Net fees and commission	**145,631**	**43,593**	**113,027**	**158,969**	**9,477**	**470,697**

(All amounts in thousands of US dollars unless otherwise stated)

Analysis of Net fee and commission income by Business unit

	CIB	Commercial	Consumer	Other and consolidation adjustment	Total
31 December 2023					
Fee and commission income					
Credit related fees and commission	89,007	34,928	11,262	–	135,197
Corporate finance fees	10,209	243	–	–	10,452
Portfolio and other management fees	10,348	–	–	–	10,348
Brokerage fees and commission	2,454	641	2,049	–	5,144
Cash management fees	85,619	109,150	86,342	–	281,111
Card management fees	154	974	83,223	–	84,351
Other fees	7,305	3,224	2,627	(183)	12,973
Total	**205,096**	**149,160**	**185,503**	**(183)**	**539,576**
Fee and commission expense					
Brokerage fees	7,810	–	–	–	7,810
Bank charges	9,815	4,578	3,355	441	18,189
Other fees	19,027	9,457	9,394	141	38,019
Total	**36,652**	**14,035**	**12,749**	**582**	**64,018**
Net fees and commission	**168,444**	**135,125**	**172,754**	**(765)**	**475,558**
31 December 2022					
Fee and commission income					
Credit related fees and commission	97,200	35,316	8,355	–	140,871
Corporate finance fees	17,724	605	–	–	18,329
Portfolio and other management fees	13,032	–	–	–	13,032
Brokerage fees and commission	5,457	2,082	1,601	–	9,140
Cash management fees	66,874	87,825	79,946	1,401	236,046
Card management fees	4,631	15,965	73,873	264	94,733
Other fees	12,350	4,699	4,834	(422)	21,461
Total	**217,268**	**146,492**	**168,609**	**1,243**	**533,612**
Fee and commission expense					
Brokerage fees	2,429	–	5	–	2,434
Bank charges	10,548	16,913	3,891	1,809	33,161
Other fees	20,310	2,271	5,506	(767)	27,320
Total	**33,287**	**19,184**	**9,402**	**1,042**	**62,915**
Net fees and commission	**183,981**	**127,308**	**159,207**	**201**	**470,697**

9 Trading income and foreign exchange gains

Year ended 31 December	2023	2022
Foreign exchange translation gains	436,274	266,645
Foreign exchange trading (losses)/ gains	(70,959)	24,372
Trading (losses) / income on securities	(4,075)	19,589
	361,240	**310,606**

10 Investment income

	2023	2022
Net gains from investment securities	9,560	13,230
	9,560	**13,230**

11 Other operating income

	2023	2022
i) Lease income	212	518
	212	**518**
ii) Dividend income		
Trading securities	158	171
Other equity securities	1,837	3,575
	1,995	**3,746**
iii) Others		
Fair value loss on asset held for sale	-	(799)
Fair value gain on investment properties	2,419	131
Profit on sale of property and equipment	3,158	25,212
Recovery*	23,157	7,887
Rental income	4,383	5,054
Others	13,332	11,812
	46,449	**49,297**
Total other operating income	**48,656**	**53,561**

* In June 2023, Ecobank Nigeria recovered on loans previously sold to Nigeria's Asset Management Corporation of Nigeria (AMCON).

(All amounts in thousands of US dollars unless otherwise stated)

12 Operating expenses

Year ended 31 December	2023	2022
a) Staff expenses		
Salaries, allowances and other compensation	398,719	394,685
Social security costs	42,975	43,238
Pension costs:		
Defined contribution plans	12,714	6,204
Other post retirement benefits	8,393	3,231
	462,801	**447,358**
b) Depreciation and amortisation		
Depreciation of property and equipment (Note 29)	42,938	49,911
Depreciation of right-of-use assets (Note 30)	17,042	17,771
Amortisation of software and other intangibles (Note 27)	30,165	33,600
	90,145	**101,282**
c) Other operating expenses		
Directors' emoluments	1,675	1,787
Social responsibility	1,300	1,447
Rent and utilities	30,465	28,291
Insurance	39,757	35,658
Advertising and promotion	22,261	20,387
Professional and legal costs	75,270	72,620
Operational losses and fines	13,683	8,763
Communications and technology	178,242	156,065
Business travels	14,851	11,494
AGM and board activities	2,554	2,898
Training	8,568	6,553
Employee activities	17,666	16,206
Repairs and maintenance	20,830	19,206
Supplies and services	11,322	8,164
Cash transportation	20,443	19,768
Fuel	9,602	9,072
Other taxes	22,430	23,221
Listing fees	2,563	2,084
Banking resolution sinking fund cost (AMCON)	30,019	39,264
Other administrative expenses	36,108	18,793
Total	**559,609**	**501,741**
Total operating expenses	**1,112,555**	**1,050,381**

13 Impairment charges on financial assets

Year ended 31 December	2023	2022
Impairment charges on loans and advances	288,333	270,160
Recoveries/Release of provisions	(143,279)	(259,832)
Net impairment charges on loans and advances	145,054	10,328
Net impairment change on DDEP bonds*	25,850	-
Impairment investment securities	121,296	170,190
Impairment charges on off balance sheet	247	388
Impairment charges on of loans to banks	3,662	-
Impairment charges on other financial assets	33,830	17,160
	329,939	**198,066**

* In May 2023, IMF approved $3bn extended credit facility arrangement for Ghana, following positive feedback from Ghana's official Creditor Committee co-chaired by China and France. The first tranche of $600m of the IMF facility was released immediately with the second tranche of $600m being released subsequent to the financial year end.

As at 31 December 2023, no formal Ghana Eurobond restructure proposal had been tabled by the GoG. In assessing the estimated credit losses, the Group considered the loss percentage experienced on the DDEP. The Group also utilized external benchmark data corroborate the expected loss.

14 Non-conversion premium on bonds

	2023	2022
Non-conversion premium on bonds	-	40,000
	-	**40,000**

The Group issued a convertible bond in 2017, a 5-year instrument totalling US$400 million. The first tranche of US$250 million matured in September 2022 and the second tranche of US$150 million matured in October 2022. The conversion options on these bonds existed up until the maturity date. As such, ETI redeemed the bond at 110 percent of the nominal value in accordance with the signed contractual agreement.

15 Taxation

	2023	2022
Current income tax	210,054	165,183
Deferred income tax (Note 37)	(35,615)	8,155
	174,439	**173,338**

The income tax rate applicable to the majority of income of the subsidiaries ranged from 25% to 45%.

Further information about deferred income tax is presented in Note 37. The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the group as follows:

Profit before tax	581,362	540,029
Tax calculated at local tax rates applicable to profits in the respective countries	238,964	209,988
Tax impact on income not subject to tax	(120,040)	(44,057)
Tax impact on expenses not deductible for tax purposes:	74,163	6,344
Utilisation of previously unrecognised tax losses	(18,648)	1,063
Income tax expense	**174,439**	**173,338**

Under the Headquarters Agreement between Ecobank Transnational Incorporated (ETI, "the Company") and the Republic of Togo signed in October 1985, ETI is exempt from tax on all its income arising from operations in Togo.

16 Earnings per share

Basic

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 outstanding during the year.

	2023	2022
Profit attributable to ordinary shareholders	287,824	286,430
Weighted average number of ordinary shares in issue (in thousands)	24,592,619	24,592,619
Basic earnings per share (expressed in US cents per share)	1.170	1.165

Diluted

	2023	2022
Profit attributable to ordinary shareholders	287,824	286,430
Weighted average number of ordinary shares in issue (in thousands)	24,592,619	24,592,619
Dilutive earnings per share (expressed in US cents per share)	1.170	1.165

17 Cash and balances with central banks

	2023	2022
Cash in hand	657,240	686,190
Balances with central banks other than mandatory reserve deposits	1,938,978	1,882,430
Included in cash and cash equivalents (Note 42)	**2,596,218**	**2,568,620**
Mandatory reserve deposits with central banks	1,334,505	1,725,190
	3,930,723	**4,293,810**

Mandatory reserve deposits are not available for use in the group's day-to-day operations. The balances are current and non-current.

18 Trading financial assets

	2023	2022
Debt securities:		
• Government bonds	41,278	173,195
Total	**41,278**	**173,195**

All trading financial assets are current

19 Derivative financial instruments

The Group uses the following derivative instruments for non-hedging purposes.

Currency forwards represents commitments to purchase foreign and domestic currency, including undelivered spot transactions. Foreign currency and interest rate futures are contractual obligations to receive or pay a net amount based on changes in currency rates or interest rates or buy or sell foreign currency or financial institution on a future date at a specified price. The credit risk is negligible, as futures contracts are collateralised by cash or marketable securities, and changes in the futures contract value are settled daily with the exchange.

Currency and interest rate swaps are commitments to exchange one set of cash flows for another. Swaps result in an economic exchange of currencies or interest rate (for example, fixed rate for floating rate). No exchange of principal takes place, except for certain currency swaps. The Group's credit risk represents the potential cost to replace the swap contracts if counterparties fail to perform their obligation. This risk is monitored on an ongoing basis with reference to the current fair value and the liquidity of the market.

	31 December 2023			31 December 2022		
		Fair Value			Fair Value	
Derivatives	Notional Amount	Assets	Liabilities	Notional Amount	Assets	Liabilities
Currency forwards	1,053,271	75,978	44,303	1,059,714	115,658	83,581
Cross-currency interest rate swaps	1,013,949	2,079	-	62,893	21,810	10,643
Total	**2,067,220**	**78,057**	**44,303**	**1,122,607**	**137,468**	**94,224**

The Group has not designated at initial recognition any financial liability as at fair value through profit or loss.
All derivative financial instruments are current.

20 Loans and advances to banks

	2023	2022
Items in course of collection from other banks	51,678	73,588
Deposits with other banks (Note 42)	1,229,276	997,716
Placements with other banks	960,919	425,263
	2,241,873	**1,496,567**

All loans and advances to banks are current.

(All amounts in thousands of US dollars unless otherwise stated)

21 Loans and advances to customers

	CIB		Commercial		Consumer		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
a) Analysis by type:								
Overdrafts	870,418	723,573	211,609	281,919	31,972	52,420	1,113,999	1,057,912
Credit cards	-	-	-	-	1,128	1,542	1,128	1,542
Term loans	7,243,015	7,811,180	1,499,780	1,523,965	1,061,509	986,654	9,804,304	10,321,799
Mortgage loans	–	–	–	–	142,378	139,759	142,378	139,759
Gross loans and advances	**8,113,433**	**8,534,753**	**1,711,389**	**1,805,884**	**1,236,987**	**1,180,375**	**11,061,809**	**11,521,012**
Less: allowance for impairment	(305,537)	(307,783)	(152,565)	(144,533)	(60,954)	(65,791)	(519,056)	(518,107)
At 31 December	**7,807,896**	**8,226,970**	**1,558,824**	**1,661,351**	**1,176,033**	**1,114,584**	**10,542,753**	**11,002,905**
b) Analysis by stage:								
Gross loans								
Stage 1	6,492,334	7,104,132	1,388,474	1,554,711	1,151,561	1,089,357	9,032,369	9,748,200
Stage 2	1,180,475	975,077	216,628	164,564	32,152	34,505	1,429,255	1,174,146
Stage 3 (Impaired)	440,624	455,544	106,287	86,609	53,274	56,513	600,185	598,666
Total	**8,113,433**	**8,534,753**	**1,711,389**	**1,805,884**	**1,236,987**	**1,180,375**	**11,061,809**	**11,521,012**
Impairment								
Stage 1	(24,116)	(29,208)	(21,944)	(18,137)	(13,278)	(14,180)	(59,338)	(61,525)
Stage 2	(84,097)	(83,571)	(52,589)	(51,239)	(3,299)	(4,703)	(139,985)	(139,513)
Stage 3 (Impaired)	(197,324)	(195,004)	(78,032)	(75,157)	(44,377)	(46,908)	(319,733)	(317,069)
Total	**(305,537)**	**(307,783)**	**(152,565)**	**(144,533)**	**(60,954)**	**(65,791)**	**(519,056)**	**(518,107)**
c) Analysis by security:								
Secured against real estate	2,095,546	1,872,306	498,373	528,881	303,866	268,559	2,897,785	2,669,746
Otherwise secured	3,648,429	4,002,808	971,288	946,979	544,432	496,352	5,164,149	5,446,139
Unsecured	2,369,458	2,659,639	241,728	330,024	388,689	415,464	2,999,875	3,405,127
	8,113,433	**8,534,753**	**1,711,389**	**1,805,884**	**1,236,987**	**1,180,375**	**11,061,809**	**11,521,012**
Current							**5,780,746**	**6,359,464**
Non current							**5,281,063**	**5,161,548**
							11,061,809	**11,521,012**

d) Movements in loans and advances

At 31 December 2023

	CIB			Commercial				Consumer				Total
	Overdrafts	Term loans	Others	Overdrafts	Credit cards	Term loans	Others	Overdrafts	Credit cards	Term loans	Mortgage	
At 1 January	723,573	7,811,180	-	281,919	-	1,523,965	-	52,420	1,542	986,654	139,759	11,521,012
New loans*	430,801	3,485,936	-	318,221	-	901,666	–	36,254	165	360,602	70,967	5,604,612
Paid off during the period	(217,480)	(2,540,847)	-	(315,214)	-	(604,002)	-	(40,904)	(155)	(116,182)	(57,323)	(3,892,107)
Amounts written off as uncollectible	(16,740)	(16,467)	-	(8,706)	-	(15,106)	-	(9,322)	-	(4,141)	-	(70,482)
Exchange difference	(49,736)	(1,496,787)	-	(64,611)	-	(306,743)	-	(6,476)	(424)	(165,424)	(11,025)	(2,101,226)
At 31 December 2023	**870,418**	**7,243,015**	**-**	**211,609**	**-**	**1,499,780**	**–**	**31,972**	**1,128**	**1,061,509**	**142,378**	**11,061,809**

At 31 December 2022

	CIB			Commercial				Consumer				Total
	Overdrafts	Term loans	Others	Overdrafts	Credit cards	Term loans	Others	Overdrafts	Credit cards	Term loans	Mortgage	
At 1 January	710,199	6,762,412	-	296,087	-	1,284,752	-	90,647	2,529	955,235	126,380	10,228,241
New loans*	401,801	4,474,645	-	583,696	-	1,058,162	459	32,060	177	376,025	89,287	7,016,312
Paid off during the year	(248,611)	(3,069,953)	-	(563,330)	-	(630,147)	-	(63,392)	(537)	(122,002)	(67,510)	(4,765,482)
Amounts written off as uncollectible	(37,403)	(72,746)	-	(9,466)	-	(65,294)	-	(4,342)	-	(10,618)	(654)	(200,523)
Reclassification	(40,688)	119,189	-	3,193	-	(88,147)	-	144,511	-	(143,824)	5,766	-
Exchange difference	(61,725)	(402,367)	-	(28,261)	-	(35,361)	(459)	(147,064)	(627)	(68,162)	(13,510)	(757,536)
At 31 December 2022	**723,573**	**7,811,180**	**-**	**281,919**	**-**	**1,523,965**	**-**	**52,420**	**1,542**	**986,654**	**139,759**	**11,521,012**

* New loans includes modified and restructured facilities.

(All amounts in thousands of US dollars unless otherwise stated)

e) Allowance for impairment

Movement of impairment losses on loans and advances summarised by class is as follows:

At 31 December 2023

	CIB			Commercial				Consumer				Total
	Overdrafts	Term loans	Others	Overdrafts	Credit cards	Term loans	Others	Overdrafts	Credit cards	Term loans	Mortgage	
Specific impairment (Stage 3)												
At 1 January	55,659	139,345	-	23,788	-	51,369	-	12,214	1,354	31,566	1,774	317,069
Provision for loan impairment	4,898	146,585	-	26,745	-	52,805	-	14,666	-	12,100	157	257,956
Recoveries/Release of provisions	(28,305)	(40,569)	-	(21,642)	-	(28,812)	-	(7,611)	-	(15,981)	(359)	(143,279)
Loans written off during the period	(16,740)	(16,467)	-	(8,706)	-	(15,106)	–	(9,322)	-	(4,141)	-	(70,482)
Reclassification	-	(11,364)	-	-	-	-	-	1,350	(1,350)	11,364	-	-
Exchange difference	(2,626)	(33,092)	-	(1,063)		(1,346)	-	(1,869)	-	(1,227)	(308)	(41,531)
At 31 December 2023	**12,886**	**184,438**	**-**	**19,122**	**-**	**58,910**	**-**	**9,428**	**4**	**33,681**	**1,264**	**319,733**

At 31 December 2023

	CIB			Commercial				Consumer				Total
	Overdrafts	Term loans	Others	Overdrafts	Credit cards	Term loans	Others	Overdrafts	Credit cards	Term loans	Mortgage	
Collective impairment (Stages 1 and 2)												
At 1 January	23,935	88,844	-	11,811	-	57,565	-	11,876	115	4,241	2,651	201,038
Provision for loan impairment	10,103	8,015	-	4,086	-	3,613	-	1,033	-	3,028	499	30,377
Reclassification	(14,109)	2,286	-	1,763	-	9,235	-	2,344	4	(988)	(535)	-
Exchange difference	(896)	(9,965)	-	(993)	-	(12,547)	-	(6,356)	–	(1,279)	(56)	(32,092)
At 31 December 2023	**19,033**	**89,180**	**-**	**16,667**	**-**	**57,866**	**-**	**8,897**	**119**	**5,002**	**2,559**	**199,323**
Total allowance for impairment	**31,919**	**273,618**	**-**	**35,789**	**-**	**116,776**	**-**	**18,325**	**123**	**38,683**	**3,823**	**519,056**

e) Allowance for impairment

At 31 December 2022

	CIB			Commercial				Consumer				Total
	Overdrafts	**Term loans**	**Others**	**Overdrafts**	**Credit cards**	**Term loans**	**Others**	**Overdrafts**	**Credit cards**	**Term loans**	**Mortgage**	
Specific impairment (Stage 3)												
At 1 January	1,031	197,942	-	57,619	-	121,682	-	10,329	–	39,913	516	429,032
Provision for loan impairment	22,115	96,981	-	38,048	-	55,888	-	4,120	1,400	22,687	777	242,016
Recoveries/Release of provisions	(50,277)	(114,850)	-	(26,533)	-	(46,691)	-	(3,224)	–	(18,229)	(28)	(259,832)
Loans written off during the year	(53,735)	(63,730)	-	(15,396)	-	(41,965)	104	(4,345)	–	(20,970)	(486)	(200,523)
Reclassification	47,899	(62,492)	-	3,205	-	11,815	(104)	(1,190)	–	804	63	–
Exchange difference	88,626	85,494	-	(33,155)	-	(49,360)	-	6,524	(46)	7,361	932	106,376
At 31 December 2022	**55,659**	**139,345**	**-**	**23,788**	**-**	**51,369**	**-**	**12,214**	**1,354**	**31,566**	**1,774**	**317,069**

At 31 December 2022

	CIB			Commercial				Consumer				Total
	Overdrafts	**Term loans**	**Others**	**Overdrafts**	**Credit cards**	**Term loans**	**Others**	**Overdrafts**	**Credit cards**	**Term loans**	**Mortgage**	
Collective impairment (Stages 1 and 2)												
At 1 January	39,342	102,015	-	7,433	-	50,584	-	18,788	97	3,820	1,264	223,343
Provision for loan impairment	5,198	6,764	-	3,809	-	3,619	-	2,881	–	2,958	2,915	28,144
Reclassification	(1,578)	(9,046)	-	(1,669)	-	4,630	-	(1,130)	–	9,080	(287)	–
Exchange difference	(19,027)	(10,889)	-	2,238	-	(1,268)	-	(8,663)	18	(11,617)	(1,241)	(50,449)
At 31 December 2022	**23,935**	**88,844**	**-**	**11,811**	**-**	**57,565**	**-**	**11,876**	**115**	**4,241**	**2,651**	**201,038**
Total allowance for impairment	**79,594**	**228,189**	**-**	**35,599**	**-**	**108,934**	**-**	**24,090**	**1,469**	**35,807**	**4,425**	**518,107**

(All amounts in thousands of US dollars unless otherwise stated)

21 Loans and advances to customers (continued)

f) Investment in finance leases

As at 31 December	2023	2022
Loans and advances to customers include finance lease receivables analysed below.		
Gross investment in finance leases, receivable		
No later than 1 year	92	19
Later than 1 year and no later than 5 years	–	485
	92	504
Unearned future finance income on finance leases	5	76
Net investment in finance leases	**97**	**580**
Analysis by transport industry on gross loans		
The net investment in finance lease may be analysed as follows:		
No later than 1 year	92	19
Later than 1 year and no later than 5 years	5	560
	97	**580**

22 Treasury bills and other eligible bills

As at 31 December	2023	2022
Maturing within three months (Note 42)	409,025	780,446
Maturing after three months	1,186,603	1,675,293
	1,595,628	**2,455,739**
Current	1,416,134	2,266,122
Non current	179,494	189,617
	1,595,628	**2,455,739**

Treasury bills and other eligible bills are debt securities issued by the government of various countries in which the Group operates.

23 Investment securities

As at 31 December	2023	2022
Debt securities		
• At FVTOCI listed	2,058,435	2,955,975
• At FVTOCI unlisted	3,292,522	3,514,254
• At Amortised cost	1,066,839	307,621
Total	**6,417,796**	**6,777,850**
Equity securities		
• At FVTOCI unlisted	91,830	102,050
• At FVTPL listed	2,503	3,213
• At FVTPL unlisted	109,926	121,321
Total	**204,259**	**226,584**
Total investment securities	**6,622,055**	**7,004,434**
Current	1,709,712	1,161,832
Non current	4,912,343	5,842,602
	6,622,055	**7,004,434**

The movement in investment securities summarised as follows:

	2023	2022
At 1 January	7,004,434	6,560,228
Additions	567,231	2,454,034
Disposal (sale and redemption)	(714,989)	(1,451,676)
Accrued interest on debt securities	41,758	97,263
Carrying amount of derecognised defaulted bond	(339,913)	-
Initial value on re-recognition	314,063	-
Impairment on investment securities	(62,857)	(203,831)
Loss from changes in fair value	(53,812)	(112,540)
Exchange difference	(133,860)	(339,044)
	6,622,055	**7,004,434**

Ghana Debt Restructure

Local Bond

* On Monday 5th December, 2022, the Government of Ghana (GoG) launched the Ghana Domestic Debt Exchange Programme (DDEP) as part of a broader response to macroeconomic challenges being faced by the country. In February 2023, the GoG settled on the DDEP by offering new bonds for the old eligible local currency bonds. Ecobank Ghana subscribed to the DDEP. Consequently the bond exchange resulted in the Group recording $25 million additional impairment between December 2022 and the date of settlement.

	December 2023
Gross amount of existing defaulted bond	427,603
Existing impairment on date of derecognition	(87,690)
Impairment until date of settlement	(25,850)
Initial value of re-recognition	314,063

Eurobond

In May 2023, IMF approved $3bn extended credit facility arrangement for Ghana, following positive feedback from Ghana's official Creditor Committee co-chaired by China and France. The first tranche of $600m of the IMF facility was released immediately with the second tranche of $600m being released subsequent to the financial year end.
As at 31 December 2023, no formal Ghana Eurobond restructure proposal had been tabled by the GoG. In assessing the estimated credit losses, the Group considered the loss percentage experienced on the DDEP. The Group also utilized external benchmark data corroborate the expected loss.

Notes to Consolidated Financial Statements

(All amounts in thousands of US dollars unless otherwise stated)

24 Pledged assets

At 31 December	2023	2022
Treasury bills	66,179	95,995
Government bonds	46,863	57,975
	113,042	**153,970**
Pledged assets have been stated at fair values		
Current	66,179	95,995
Non-current	46,863	57,975
	113,042	**153,970**

25 Other assets

At 31 December	2023	2022
Fees receivable	3,511	4,156
Accounts receivable	606,317	667,729
Prepayments	121,649	175,034
Repossessed assets	177,078	169,306
Sundry receivables	277,950	284,832
	1,186,505	**1,301,057**
Impairment charges on receivable balances	(8,405)	(103,882)
	1,178,100	**1,197,175**
Current	1,001,022	1,027,869
Non-current	177,078	169,306
	1,178,100	**1,197,175**

The movement in impairment allowance on other assets may be summarised as follows:

1 January	103,882	209,321
Net movement in impairment charges*	(95,477)	(105,439)
	8,405	**103,882**

* Net movement includes write offs.

26 Investment in associates

At 31 December	2023	2022
At 1 January	1,016	4,863
Share of post-tax results of associates	138	570
Derecognition of Old Mutual General Insurance	–	(3,500)
Exchange difference	(447)	(917)
	707	**1,016**

* Investment in associates balances are non-current.

26 Investment in associates (Continued)

	At 31 December 2023	At 31 December 2022
	Accion Microfinance Bank Ltd (Nigeria)	Accion Microfinance Bank Ltd (Nigeria)
Current assets	14,172	30,835
Non-current assets	1,441	2,511
Total assets	**15,613**	**33,346**
Liabilities	8,519	18,396
Total liabilities	**8,519**	**18,396**
Revenues	8,709	14,508
Profit after tax	644	2,807

The associate is not listed. There are no published price quotations of the associate of the Group. Furthermore, there are no significant restrictions on the ability of associate to transfer funds to the Group in the form of cash dividends or repayment of loans and advances. The associate is a strategic to the Group. The ACCION entity is a microfinance bank.

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	At 31 December 2023			At 31 December 2022		
	Principal place of business/ Country of incorporation	Net assets of associates	Share Holding (Direct and Indirect)	Country of incorporation	Net assets of associate	Share Holding (Direct and Indirect)
Accion Microfinance Bank Ltd (Nigeria)	Nigeria	7,095	21.71%	Nigeria	14,950	21.73%

Reconciliation of summarised financial information to the carrying amount of its interests in associates.

At 31 December 2023	EB-ACCION Nigeria	Total
Opening net assets	14,950	14,950
Profit for the year	644	644
Exchange difference	(8,499)	(8,499)
Closing net assets	**7,095**	**7,095**
Interest in associates	**1,540**	**1,540**

At 31 December 2022	EB-ACCION Nigeria	Total
Opening net assets	14,394	14,394
Profit for the year	2,807	2,807
Exchange difference	(2,251)	(2,251)
Closing net assets	**14,950**	**14,950**
Interest in associates	**3,249**	**3,249**

(All amounts in thousands of US dollars unless otherwise stated)

27 Intangible assets

At 31 December	2023	2022
Goodwill		
At 1 January	13,923	18,339
Acquisition	–	-
Goodwill impairment	–	(1,623)
Exchange difference	(2,078)	(2,793)
	11,845	**13,923**

At 31 December	2023	2022
Software costs		
At 1 January	70,622	103,949
Purchase	14,821	12,524
Amortisation (Note 12)	(30,165)	(33,600)
Exchange difference	(11,804)	(12,251)
	43,474	**70,622**
Total intangible assets	**55,319**	**84,545**

Impairment testing for cash-generating units containing goodwill

For the purpose of impairment testing, goodwill acquired through business combinations is allocated to cash-generating units (CGUs). The recoverable amounts of the CGUs have been determined based on the value-in-use calculations; using cash flow projections based on the financial budgets approved by senior management covering a period of five years.

The goodwill is arising on acquisitions of the following subsidiaries:

At 31 December	2023	2022
Ecobank Ghana (The Trust Bank)	3,471	4,860
Ecobank Rwanda	3,004	3,546
Ecobank Zimbabwe	1	10
Ecobank Chad	2,578	2,488
Ecobank Central Africa	1,587	1,531
Ecobank Burundi	657	921
Ecobank Malawi	58	95
Ecobank Burkina Faso	489	472
	11,845	**13,923**

The calculation of value-in-use was based on the following key assumptions:

Summary of key inputs	31 Dec. 2023		31 Dec. 2022	
Entities	Discount factor	Long-term growth rate	Discount factor	Long-term growth rate
Ecobank Ghana (The Trust Bank)	30.00%	4.4%	22.37%	4.4%
Ecobank Rwanda	20.82%	4.7%	17.87%	4.7%
Ecobank Zimbabwe	30.00%	2.3%	30.50%	2.3%
SOFIPE	-	5.1%	15.05%	5.1%
Ecobank Chad	22.52%	3.4%	19.06%	3.4%
Ecobank Central Africa	19.88%	2.8%	17.00%	2.8%
Ecobank Burundi	19.01%	2.3%	15.55%	2.3%
Ecobank Sierra Leone (ProCredit)	-	4.5%	30.50%	4.5%
Ecobank Malawi	19.01%	5.2%	27.66%	5.2%
Ecobank Burkina Faso	17.35%	5.1%	15.05%	5.1%
PASL Ghana	-	4.4%	22.37%	4.4%
PASL Cameroon	-	5.1%	14.15%	5.1%

1. The cash flows were projected based on the Group's approved budget. The cash flows were based on past experiences and were adjusted to reflect expected future performances of the company taking into consideration the country's gross domestic product.
2. A range of terminal growth rate of 2.3-5.2 % was applied in determining the terminal cash flows depending on the country the entity is domiciled.
3. Discount rates ranging from 14.15% to 30.5%, representing pre-tax cost of equity of an entity was applied in determining the value in use. The growth rate used to extrapolate terminal cash flows for goodwill impairment testing is consistent with long term average growth rate for industry and countries.
4. The Group expects that through these acquisitions, it would create synergy that enhances its ability to tap into opportunities in the respective countries where the entities are domiciled;
5. The key assumptions described above and summarised below may change as economic and market conditions change. The Group estimates that reasonably possible changes in these assumptions would not cause the recoverable amount of either CGU to decline below the carrying amount.

(All amounts in thousands of US dollars unless otherwise stated)

28 Property and equipment

At 31 December	2023	2022
1 January	9,922	11,019
Fair value gain	2,419	131
Exchange difference	(1,271)	(1,228)
	11,070	**9,922**

The following amounts have been recognised in the income statement:

Rental income	416	385
Direct operating expenses arising from investment properties that generate rental income	(91)	(77)
Fair value	2,419	131
	2,744	**438**

Investment properties are carried at fair value. The valuation of investment properties has been done using the level 2 technique (inputs other than quoted prices that are observable for the asset or liability). There has been no change in the techniques used in the valuation of the investment properties. The fair value of investment property is based on a valuation by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. The valuation methodology used is the market approach. The fair value are derived using the sales comparison approach where the main inputs in the determination of the fair value are recent land sales or asking prices for similarly sized plots in the immediate vicinity of the investment property. In certain cases, due to the unavailability of similar large land size traded in the immediate property market, the valuers subdivided the entire land area into smaller plots; allowing for circulation and infrastructure and applying an adjusted sales price per plot to arrive at a gross sales price. In certain circumstances further adjustments are also done on the basis of quality of title and location.

29 Property and equipment

	Motor Vehicles	Land & Buildings	Furniture & Equipment	Installations	Construction in progress	Total
At 1 January 2022						
Cost or Valuation	43,749	709,026	403,514	146,973	71,839	1,375,101
Accumulated depreciation	32,429	164,470	312,090	115,497	-	624,486
Net book amount	**11,320**	**544,556**	**91,424**	**31,476**	**71,839**	**750,615**
Year ended 31 December 2022						
1 January	11,320	544,556	91,424	31,476	71,839	750,615
Purchase of property, plant and equipment	5,546	187,385	81,350	13,563	11,890	299,734
Right of use assets	–	19,473	–	–	–	19,473
Revaluation	–	64,263	-	–	–	64,263
Disposals – cost	(3,990)	(167,576)	(80,708)	(4,889)	(11,589)	(268,752)
Disposals – accumulated depreciation	3,898	16,870	9,674	614	706	31,762
Reclassifications – cost	20	1,230	659	–	(1,909)	–
Reclassifications – accumulated depreciation	1,130	(310)	957	(308)	(1,469)	–
Depreciation charge	(5,262)	(13,962)	(23,123)	(7,564)	–	(49,911)
Depreciation charge (ROU)	(295)	(17,283)	(193)	–		(17,771)
Exchange difference	(1,989)	(54,996)	(14,714)	(1,962)	(1,741)	(75,402)
31 December 2022	**10,378**	**579,650**	**65,326**	**30,930**	**67,727**	**754,011**
At 31 December 2022/1 January 2023						
Cost or Valuation	41,483	741,047	368,105	146,570	67,727	1,364,932
Accumulated depreciation	31,105	161,397	302,779	115,640	-	610,921
Net book amount	**10,378**	**579,650**	**65,326**	**30,930**	**67,727**	**754,011**
Year ended 31 December 2023						
1 January	10,378	579,650	65,326	30,930	67,727	754,011
Purchase of property, plant and equipment	5,748	15,674	34,059	17,065	23,929	96,475
Right of use assets	585	12,466	283	–	–	13,334
Revaluation	–	4,947	–	–	–	4,947
Disposals – cost	(5,301)	(36,928)	(45,595)	(21,273)	–	(109,097)
Disposals – accumulated depreciation	5,066	31,738	45,022	21,038	–	102,864
Reclassifications – cost	66	(6,260)	572	459	5,163	–
Reclassifications – accumulated depreciation	(66)	6,260	(572)	(459)	(5,163)	–
Depreciation charge	(4,506)	(13,370)	(17,778)	(7,284)	–	(42,938)
Depreciation charge (ROU)	(181)	(16,517)	(344)	–	–	(17,042)
Exchange difference	(1,135)	(155,393)	(18,822)	(14,795)	(24,061)	(214,206)
31 December 2023	**10,654**	**422,267**	**62,151**	**25,681**	**67,595**	**588,348**
At 31 December 2023						
Cost	37,372	573,162	318,686	139,439	67,595	1,136,254
Accumulated depreciation	26,718	150,895	256,535	113,758	-	547,906
Net book amount	**10,654**	**422,267**	**62,151**	**25,681**	**67,595**	**588,348**

(All amounts in thousands of US dollars unless otherwise stated)

29 Property and equipment (Continued)

Land and buildings are measured using the revaluation model. The valuation of land and buildings has been done using the level 2 technique (inputs other than quoted prices that are observable for the asset). There has been no change in the valuation techniques used in the valuation of the land and buildings. The valuation of the Group's land and buildings was performed by independent valuers to determine the fair value of the land and buildings as at 31 December 2023. The fair values are derived by applying internationally acceptable and appropriately benchmarked valuation techniques such as depreciated replacement cost or market value approach. The depreciated replacement cost approach involves estimating the value of the property in its existing use and the gross replacement cost. For this, appropriate deductions are made to allow for age, condition and economic or functional obsolescence, environmental and other factors that might result in the existing property being worth less than a new replacement. The valuation methodology used is the market approach. The market value approach key inputs involves comparing the properties with identical or similar properties, for which evidence of recent transaction is available or alternatively identical or similar properties that are available in the market for sale making adequate adjustments on price information to reflect any differences in terms of actual time of the transaction, including legal, physical and economic characteristics of the properties.

The revaluation surplus net of applicable deferred income taxes was credited to other comprehensive income and is shown in 'revaluation reserve – property and equipment' in shareholders equity (Note 41).

If land and buildings were stated at historical costs, the amounts would be as follows:

	2023	2022
Cost	399,080	400,779
Accumulated depreciation	151,659	109,864
Net book amount	**247,421**	**290,915**

30 Right-of-use assets

Property, plant and equipment comprise leased assets that do not meet the definition of investment property. They are right-of-use assets, included in the Property, plant and equipment line items, over the following:

	2023	2022
Motor Vehicles	1,027	572
Land & Buildings	51,430	58,106
Furniture & Equipment	3,245	2,538
Installations	-	-
	55,702	**61,216**

Additional information on the right-of-use assets by class of assets is as follows:

	Motor Vehicles	Land & Buildings	Furniture & Equipment	Installations	Total
At 1 January	572	58,106	2,538	–	61,216
Additions	585	12,466	283	–	13,334
Depreciations	(181)	(16,517)	(344)	–	(17,042)
Exchange difference	51	(2,625)	768	–	(1,806)
At 31 December 2023	**1,027**	**51,430**	**3,245**	**-**	**55,702**

	Motor Vehicles	Land & Buildings	Furniture & Equipment	Installations	Total
At 1 January	433	55,590	2,153	582	58,758
Additions	-	19,473	–	–	19,473
Depreciations	(295)	(17,139)	(337)	–	(17,771)
Exchange difference	434	182	722	(582)	756
At 31 December 2022	**572**	**58,106**	**2,538**	**-**	**61,216**

31 Assets held for sale

	2023	2022
Assets held for sale		
ETI Property	4,439	9,162
Ecobank Nigeria Property	1,037	816
	5,476	**9,978**

31.1 ETI : Property in Ogombo, Lagos, Nigeria

	2023	2022
Assets held for sale		
ETI Landed Property	9,162	9,961
Foreign exchange translation loss on investment property	(4,723)	(799)
	4,439	**9,162**

ETI owns a property in Ogombo, Lagos, Nigeria. ETI does no longer intend to hold this property and is in an advanced stage of selling to a willing party. The value of this property has been reduced to its net realizable value per the requirement of IFRS 5.

31.2 Ecobank Nigeria : Property in Victoria Island, Lagos , Nigeria

	2023	2022
Assets held for sale		
Land	–	–
Freehold buildings	1,037	816
	1,037	**816**

In December 2022, Ecobank Nigeria publicly announced the decision of its Board of Directors to sell its former head office building located at 21 Ahmadu Bello Way, Victoria Island, Lagos and some other Bank's properties. During the year a portion of land and freehold buildings was sold. At 31 December 2023, freehold buildings valued at $1.0 million still remain unsold. The remaining portion is expected to be sold within the next 12 months.

32 Deposits from other banks

	2023	2022
Operating accounts with banks	336,683	963,814
Other deposits from banks	1,251,435	1,498,120
	1,588,118	**2,461,934**

All deposits from banks are current and have variable interest rates.

(All amounts in thousands of US dollars unless otherwise stated)

33 Deposit from customers

At 31 December	2023	2022
Corporate and investment Banking		
• Current accounts	6,423,332	6,604,770
• Term deposits	2,197,707	2,343,070
	8,621,039	**8,947,840**
Commercial Banking		
• Current accounts	4,166,911	4,440,591
• Term deposits	570,200	803,839
• Savings deposits	116,240	124,181
	4,853,351	**5,368,611**
Consumer Banking		
• Current accounts	2,676,209	2,539,286
• Term deposits	543,773	562,792
• Savings deposits	3,279,576	3,394,784
	6,499,558	**6,496,862**
Total	**19,973,948**	**20,813,313**
Current	17,400,006	16,044,243
Non current	2,573,942	4,769,070
	19,973,948	**20,813,313**

Customer deposits carry variable interest rates.

At 31 December 2023	CIB		Commercial			Consumer			Total
	Current account	Term deposits	Current account	Term deposits	Savings	Current account	Term deposits	Savings	
At 1 January	6,604,770	2,343,070	4,440,591	803,839	124,181	2,539,286	562,792	3,394,784	20,813,313
Additions	2,325,109	912,808	1,093,724	100,842	33,945	729,879	132,628	551,754	5,880,689
Withdrawals	(1,593,233)	(289,325)	(472,222)	(96,044)	(2,039)	(223,435)	(25,765)	(112,985)	(2,815,048)
Exchange difference	(913,314)	(768,846)	(895,182)	(238,437)	(39,847)	(369,521)	(125,882)	(553,977)	(3,905,006)
At 31 December 2023	**6,423,332**	**2,197,707**	**4,166,911**	**570,200**	**116,240**	**2,676,209**	**543,773**	**3,279,576**	**19,973,948**

At 31 December 2022	CIB		Commercial			Consumer			Total
	Current account	Term deposits	Current account	Term deposits	Savings	Current account	Term deposits	Savings	
At 1 January	6,149,502	2,428,782	3,991,425	633,300	139,374	2,451,800	554,827	3,364,339	19,713,349
Additions	3,050,525	695,702	1,363,116	323,524	23,369	653,708	115,461	488,017	6,713,422
Withdrawals	(1,846,180)	(594,134)	(299,389)	(91,736)	(15,493)	(271,513)	(70,530)	(187,401)	(3,376,376)
Exchange difference	(731,871)	(187,296)	(606,087)	(61,277)	(23,069)	(320,760)	(36,946)	(269,776)	(2,237,082)
At 31 December 2022	**6,604,770**	**2,343,070**	**4,440,591**	**803,839**	**124,181**	**2,539,286**	**562,792**	**3,394,784**	**20,813,313**

34 Borrowed funds

	At 31 December	2023	2022
a	Eurobond	508,904	506,588
b	Eurobond II	344,340	343,336
c	Eurobond Nigeria	306,683	305,945
d	Development Bank of Nigeria	52,720	108,204
e	Bank of Industry of Nigeria (BOI)	2,666	10,876
f	Societe de Promotion et Participation pour la Coopération Economique (PROPARCO)	41,240	71,050
g	Nigeria Sovereign Investment Authority (NSIA)	62,590	11,085
h	Central Bank of Nigeria	135,636	238,074
i	Caisse Régionale de Refinancement Hypothécaire (CRRH)	-	1,783
j	Findev Canada	17,176	20,468
k	Credit Europe Bank	102,828	98,890
l	Africa Finance Corporation facility	291,071	325,482
m	European Investment Bank	90,842	-
n	Sanad Fund for MSME Debt Sub-Fund (see note n)	15,066	-
o	Eco-Business Fund (see note n)	17,879	-
p	Creative Industry Financial Initiative Funds	69,998	-
q	Lease liability	53,557	52,192
	Other loans	136,387	184,420
		2,249,583	**2,278,392**
	Current	969,962	531,063
	Non current	1,279,621	1,747,329
		2,249,583	**2,278,392**

a) ETI issued a USD 500 million Senior Unsecured 5-year Eurobond (Reg S / 144A) with a maturity date of 18 April 2024. An initial issuance of USD 450 million in April 2019 was followed by a tap issuance of USD 50 million in July 2019. The bonds bear a coupon rate of 9.5%.

b) Ecobank Transnational Incorporated – ETI raised US$350 million Tier 2 Sustainability Notes in June 2021. This represents the first ever Tier 2 Sustainability Notes by a financial institution in Sub-Saharan Africa. This Tier 2 issuance is the first to have Basel III-compliant 10NC5 structure outside of South Africa in 144A/RegS format and is listed on the main market of the London Stock Exchange. The bond matures in June 2031 and has a call option in June 2026.The bond was issued with interest payable semi-annually, on June 17 and December 17 each year.

c) On 16 February 2021, the Ecobank Nigeria issued a $300 million eurobond at 7.125% coupon rate. The Bond is a 5-year tenor with maturity date of 16 February 2026.

d) Ecobank Nigeria secured a 50 billion Naira ($121 million) loan from Development Bank of Nigeria (DBN) in December 2020. The facility has a tenor of 10 years, maturity date of November 29, 2030 with an interest rate of 6.5%, fixed for the first 5 years and subject to repricing afterwards.

e) The Bank of Industry (BOI) loan to Ecobank Nigeria represents the Central Bank of Nigeria's intervention funds on-lent to some of the Bank's customers in the manufacturing sector through BOI. The fund is administered at an all-in interest rate of 7% per annum payable on a quarterly basis. The maximum tenor of the facility is 15 years.

f) PROPARCO granted a facility of USD 50 million to ETI in November 2013, to support the development of the Ecobank Group. The loan amortises over the period of the loan until the final repayment date in January 2023. A Proparco-led syndicate granted a $60 million 3-year facility to ETI in October 2021. The loan matures in September 2024.

g) NSIA granted facilities to Ecobank Nigeria through ETI. These amounted to USD 63 million and are all maturing in March 2024.

(All amounts in thousands of US dollars unless otherwise stated)

h) Central Bank of Nigeria loan represents 7-year intervention funds for on-lending to customers of the Bank in the agricultural sector with maturity date of 28 May 2027. The Fund is administered at an interest rate of 9% per annum.

i) Caisse Régionale de Refinancement Hypothécaire (CRRH) facilities to Ecobank Cote d'Ivoire and Ecobank Senegal are repayable over ten years and matured in 2023. Interest is payable semi-annually at an annual rate of 6%.

j) In December 2021, ETI signed a Senior Term Facility agreement with Development Finance Institute Canada (DFIC) Inc. (""FinDev Canada""). The funds were disbursed on March 31,2022 .
The proceeds of the Facility shall be used to support the ETI's general corporate purposes, at least thirty percent (30%) of the proceeds of the Facility to be used for on-lending to WSMEs and not less than fifty per cent (50%) of the proceeds of the Facility to be used for on-lending to Sub-Borrower. Interest will be payable semi-annually, in arrears, at the end of the respective interest period. The tenure of facility is 4 years from the date of the disbursement.

k) In August 2022, ETI raised a 2 -year $100 million 4.25% senior loan from Credit Europe Bank. The bond is scheduled to be repaid on maturity in August 2024 .

l) In October 2022, a syndicate led by the Africa Finance Corporation, Bank of Africa and Rand Merchant Bank disbursed a total of $325 million in two tranches of $113 million for two years with maturity in 2024 and $212 million(Facility A 6.17% Facility B 5.20%)for three years with maturity in 2025.

m) ETI has a facility of $25million with European Investment Bank maturing in 2029.

n) In December 2023, eco.business Fund, a biodiversity conservation-focused investment fund joined forces with SANAD, a leading financial intermediary in the Middle East and Africa region to provide a total of $32.8 million to ETI as financial support for the agricultural sector. The loan which has a two year moratorium on principal payments, has semi-annual repayments till maturity in December 2029.

p) Ecobank Nigeria has a facility with Creative Industry Financial Initiative Funds at interest rate of 9% for 7 years maturing on the 28th of May 2027.

Lease liabilities

Maturity analysis – contractual undiscounted cash flows	**2023**	**2022**
Less than one year	2,093	2,593
One to five years	28,636	27,123
More than five years	22,828	22,476
Total undiscounted lease liabilities	**53,557**	**52,192**
Lease liabilities included in borrowings		
Current	2,093	2,593
Non current	51,464	49,599
	53,557	**52,192**
At 1 January	**2,278,392**	**2,353,508**
Accrued interest	5,615	10,055
Additions Borrowings	267,236	659,923
Additions Lease liabilities	13,334	19,473
Repayments	(321,497)	(728,818)
Exchange difference	6,503	(35,749)
At 31 December	**2,249,583**	**2,278,392**

35 Other liabilities

	2023	2022
Accrued income	101,271	113,298
Unclaimed dividend	10,968	11,390
Accruals*	232,962	279,249
Obligations under customers' letters of credit	67,287	63,256
Bankers draft	4,263	39,755
Accounts payable	271,496	167,587
Allowance for off balance sheet receivables	16,417	10,802
Others**	657,580	383,794
At 31 December	**1,362,244**	**1,069,131**

Other liabilities are expected to be settled within no more than 12 months after the reporting date.

* Accruals represent expense accrued for expenses like audit fees ,bonus ,directors fees ,travel,training and other expenses which have not been paid at year end.
** Others is comprised of settlement accounts, customer foreign exchange purchase accounts, POS and VISA settlement accounts.

36 Provisions

	2023	2022
At 1 January	63,255	72,230
Additional provisions charged to income statement	26,229	16,970
Provision no longer required	(6,726)	(723)
Utilised during the year	(9,645)	(23,818)
Exchange difference	(10,838)	(1,404)
At 31 December	**62,275**	**63,255**

Provisions represent amounts provided for in respect of various litigations pending in court. Based on professional advice, the amounts for pending litigations have been set aside to cover the expected losses to the Group on the determination of these litigations.

37 Deferred income taxes

Provisions represent amounts provided for in respect of various litigations pending in court. Based on professional advice, the amounts for pending litigations have been set aside to cover the expected losses to the Group on the determination of these litigations.

	2023	2022
At 1 January	(129,486)	(114,245)
Income statement charge	(11,970)	8,155
Investment securities directly in OCI:		
fair value remeasurement	7,020	31,395
Revaluation of property and equipment (directly in OCI)	(16,965)	(15,700)
Exchange difference	(2,723)	(39,091)
	(154,124)	**(129,486)**
Deferred income tax assets and liabilities are attributable to the following items:		
Deferred income tax liabilities		
Accelerated tax depreciation	2,101	3,755
Investment securities	4,949	19,826
Revaluation of property and equipment	46,393	63,358
Other temporary differences	18,169	13,009
At 31 December	**71,612**	**99,948**

(All amounts in thousands of US dollars unless otherwise stated)

37 Deferred income taxes (Continued)

	2023	2022
Pension and other post retirement benefits	313	255
Impairment charges on financial assets	5,725	31,553
Other provisions	67,206	14,016
Tax loss carried forward	18,220	25,036
Other temporary differences	88,062	104,244
On unutilised capital allowances	487	750
Investment securities	45,723	53,580
	225,736	**229,434**
Deferred tax liabilities		
• To be recovered within 12 months	65,453	48,543
• To be recovered after more than 12 months	6,159	51,405
	71,612	**99,948**
Deferred tax assets		
• To be recovered within 12 months	95,673	167,568
• To be recovered after more than 12 months	81,346	61,866
	225,736	**229,434**
The deferred tax charge in the income statement comprises the following temporary differences:		
Accelerated tax depreciation	567	(1,740)
Pensions and other post retirement benefits	(259)	60
Impairment charges on financial assets	248	37,490
Other provisions	(4,973)	(705)
Tax losses carry forward	3,354	17,214
Other temporary differences	(744)	(6,179)
Exchange difference	(10,163)	(37,985)
	(11,970)	**8,155**

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes related to the same fiscal authority.

Income tax effects relating to components of other comprehensive income:

	31 December 2023	31 December 2022
	Net	Net
Fair value loss on investment securities	(53,812)	(72,975)
Revaluation gain on property and equipment	1,875	24,294
	(51,937)	**(48,681)**

38 Retirement benefit obligations

Other post-retirement benefits

Apart from the pension schemes, the Group operates a post employment gratuity payment scheme.

The method of accounting and the frequency of valuations are as described in Note 2.21.

The Group operates a post employment gratuity payment scheme. The amounts recognised in the statement of financial position are as follows:

	31 December 2023	31 December 2022
Present value of funded obligations	44,110	29,255
Fair value of plan assets	(22,906)	(19,748)
	21,204	**9,507**
Present value of unfunded obligations	9,788	9,754
Liability in the statement of financial position	**30,992**	**19,261**

In 2023, the movement in the defined benefit obligation over the period is as follows:

	31 December 2023			31 December 2022		
	Present value of obligation	Fair value of plan assets	Total	Present value of obligation	Fair value of plan assets	Total
At 1 January	**39,009**	**(19,748)**	**19,261**	**43,153**	**(18,075)**	**25,078**
Current service cost	3,904	–	3,904	708	–	708
Interest expense and income	5,208	(790)	4,418	444	(723)	(279)
	9,112	**(790)**	**8,322**	**1,153**	**(723)**	**430**
Remeasurements						
Return on plan assets	–	(731)	(731)	–	(1,265)	(1,265)
Actuarial (Gain)/Loss due to Experience Adjustment	684	–	684	(665)	–	(665)
	684	**(731)**	**(47)**	**(665)**	**(1,265)**	**(1,930)**
Exchange difference	2,896	217	3,113	(1,404)	199	(1,205)
Contributions	538	115	653	900	116	1,016
Reversal of provision	1,562	–	1,562	(1,683)	–	(1,683)
Retirement benefit payments	–	(2,066)	(2,066)	(2,445)	–	(2,445)
At 31 December	**53,801**	**(23,003)**	**30,798**	**39,009**	**(19,748)**	**19,261**

The defined benefit obligation and plan assets are composed by regions/countries as follows:

	31 December 2023				31 December 2022			
	ETI	UEMOA/ CEMAC	Others	Total	ETI	UEMOA/ CEMAC	Others	Total
Present value obligation	9,788	16,755	27,258	**53,801**	9,754	16,755	12,500	**39,009**
Fair value loss of plan assets	–	(22,906)	–	**(22,906)**	–	(19,748)	–	**(19,748)**
Total liability	9,788	(6,151)	27,258	**30,895**	9,754	(2,993)	12,500	**19,261**

(All amounts in thousands of US dollars unless otherwise stated)

38 Retirement benefit obligations (Continued)

Income tax effects relating to components of other comprehensive income

The amounts recognised in the income statement are as follows:

	31 December 2023	31 December 2022
Current service cost	3,904	708
Net interest cost	5,208	444
Total included in staff costs	**9,112**	**1,152**
Other Comprehensive Income		
Actuarial loss on obligations	684	(665)
Actuarial loss on plan assets	–	–
	684	**(665)**

As the plan assets include significant investments in government bonds, the Group is also exposed to interest rate risks and impact of changes monetary policies on bond yields. The defined benefit plan does not have any significant impact on the group's cash flows.

The net actuarial gain on the fair value of plan assets arose as a result of the actual returns on the assets being greater than the calculated expected return on assets.

Plan assets are comprised as follows:

	31 December 2023				31 December 2022			
	%	Quoted	Unquoted	Total	%	Quoted	Unquoted	Total
Cash	8%	1,832	-	1,832	13%	2,567	-	2,567
Equity instruments	0%	2	-	2	0%	10	-	10
Debt instruments (Bonds)	92%	16,858	4,214	21,072	87%	13,737	3,434	17,171
	100%	**16,860**	**4,214**	**22,906**	**100%**	**13,747**	**3,434**	**19,748**

The expected return on plan assets is determined by considering the expected returns available on the assets underlying the current investment policy.

The principal assumptions used for ETI and the subsidiaries operating in UEMOA region were as follows:

	ETI		UEMOA	
	2023	2022	2023	2022
Discount rate	5.50%	5.50%	5.5%	5.5%
Expected return on plan assets	4.45%	4.45%	4.45%	4.45%
Future salary increases	1.80%	1.80%	1.8%	1.8%

Sensitivity analysis on actuarial assumptions for ETI	Increase in assumption by 1%	Liability changes to	Decrease in assumption by 1%	Liability changes to
Discount rate	Decrease in the liability by 4.5%	9,111	Increase in the liability by 8%	10,015
Exit rate	Decrease in the liability by 5%	9,064	Increase in the liability by 13%	10,062
Dismissal rate	Increase in the liability by 5.2%	10,033	Decrease in the liability by 9%	9,088

The Group also operates a defined contribution plan. For the defined contribution plans, 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. There were no outstanding contributions due at the end of the year.

39 Contingent liabilities and commitments

a) Legal proceedings

The Group is a party to various legal actions arising out of its normal business operations. The Directors believe that, based on currently available information and advice of counsel, none of the outcomes that result from such proceedings will have a material adverse effect on the financial position of the Group, either individually or in the aggregate. The amounts that the directors believe will materialize are disclosed in Note 36.

b) Capital commitments

At 31 December 2023, the Group had capital commitments of $ 10 million (December 2022: $ 11 million) in respect of buildings and equipment purchases. The Group's management is confident that future net revenues and funding will be sufficient to cover this commitment.

c) Loan commitments, guarantee and other financial facilities

At 31 December 2023 the Group had contractual amounts of the off-balance sheet that commit it to extend credit to customers guarantees and other facilities are as follows:

	31 December 2023	31 December 2022
Guaranteed commercial papers and banker acceptances	81,677	125,374
Documentary and commercial letters of credit	1,131,338	1,647,020
Performance bond, guarantees and indemnities	1,641,273	1,632,815
Loan commitments	647,836	1,457,686
	3,502,124	**4,862,895**

An ECL amount of $ 16 million (December 2022 : $ 11 million) has been recognized on the off balance sheet items shown above. This is reported in "other liabilities" (see note 35).

d) Tax exposures

The Group is exposed to ongoing tax reviews in some subsidiary entities. The Group considers the impact of tax exposures, including whether additional taxes may be due. This assessment relies on estimates and assumptions and may involve series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities would impact tax expense in the period in which such a determination is made. The total amount of tax exposure as at 31 December 2023 $228 million (December 2022 : $ 173 million). Based on Group’s assessment, the probable liability is not likely to exceed $15 million (December 2022 : $ 12 million) which provisions have been made in the books in Note 36.

Notes to Consolidated Financial Statements

(All amounts in thousands of US dollars unless otherwise stated)

40 Share capital

	No of shares ('000)	Ordinary shares	Share premium	Treasury shares	Total
At 1 January 2022	24,592,619	618,259	1,499,145	(3,443)	2,113,961
At 31 December 2022/1 January 2023	**24,592,619**	**618,259**	**1,499,145**	**(3,443)**	**2,113,961**
Treasury shares	–	–	-	-	-
At 31 December 2023	**24,592,619**	**618,259**	**1,499,145**	**(3,443)**	**2,113,961**

The total authorised number of ordinary shares at period end was 50 billion (31 December 2022: 50 billion) with a par value of US$0.025 per share (December 2022: US$0.025 per share). Total issued shares as of 31 December 2023 were 24 730 billion shares. The adjustment for treasury shares on consolidation resulted in the share count of 24.592 billion shares.

Treasury shares were ETI shares held by subsidiaries and related entities within the Group as at period end. The treasury shares count as at 31 December 2023 is 137.7 million shares.

The adjustment of ordinary shares is to align with the ordinary shares Shareholders register.

Share options

The Company offers share option to certain employees with more than three years' service. Options are conditional on the employee completing three years' service. The options are exercisable starting three years from the grant date. The Company has no legal or constructive obligation to repurchase or settle the options in cash.

Movement in the number of share options outstanding are as follows:

	2023	2022
At 1 January	50,000	79,500
Forfeited	(50,000)	(29,500)
Lapsed	-	–
At 31 December	**-**	**50,000**

The number of shares outstanding at the end of the year was as follows:

Expiry date:	2023	2022
	-	50,000
	-	**50,000**

New shares options totalling 119 million shares were also granted on 16 July 2012 with contractual life of 5 years . New share options totalling 50 million shares were also granted in September 2015 with a contractual life of 5 years, further extended by 2 years.

Measurement of fair values – share options

The fair value of services received in return for share options granted is based on the fair value of share options granted, measured using the Black-Scholes formula. The service and non-market performance conditions attached to the transactions were not taken into account in measuring fair value. The inputs used in the measurement of the fair values at grant date of the equity-settled share-based payment plans were as follows.

Fair value of share options and assumptions	2012 scheme	2015 scheme
Fair value at grant date (US$)	0.012	0.025
Share price at grant date (US$)	0.063	0.092
Exercise price (US$)	0.063	0.092
Expected volatility	0.75%	1.73%
Expected life (number of years)	4	5
Expected dividends	6%	3%
Risk-free interest rate	11.8%	11.8%

The expected volatility is based on both historical average share price.

41 Retained earnings, other reserves and other equity instruments

	2023	2022
Retained earnings	746,414	571,032
Other reserves	(1,806,414)	(1,290,145)
At 31 December	**(1,060,000)**	**(719,113)**

a) Retained earnings

Movements in retained earnings were as follows:

At 1 January	571,032	434,419
Profit for year	287,824	286,430
Transfer from/(to) general banking reserve	(8,483)	2,120
Transfer to statutory reserve	(83,196)	(112,454)
Dividends paid to Ordinary shareholders	(27,203)	(39,568)
Share option forfeited	1,250	–
Transfer from revaluation reserve property on disposed property	5,190	85
	746,414	**571,032**

b) Other Reserves

	2023	2022
General banking reserve	153,265	144,782
Statutory reserve	676,059	592,863
Revaluation reserve – Investment securities	(104,671)	(50,859)
Revaluation reserve – property and equipment	135,510	138,825
Share option reserve	-	1,251
Remeasurements of post-employment benefit obligations	692	8
Translation reserve	(2,667,269)	(2,116,708)
At 31 December	**(1,806,414)**	**(1,289,838)**

(All amounts in thousands of US dollars unless otherwise stated)

Movements in retained earnings were as follows:

i) General banking reserve

	2023	2022
At 1 January	144,782	146,902
Transfer from / (to) retained earnings	8,483	(2,120)
At 31 December	**153,265**	**144,782**

The general banking reserve represents transfers from retained earnings for unforeseeable risks and future losses. General banking reserves can only be distributed following approval by the shareholders in general meeting.

ii) Statutory reserve

At 1 January	592,863	480,409
Transfer from retained earnings	83,196	112,454
At 31 December	**676,059**	**592,863**

Statutory reserves represents accumulated transfers from retained earnings in accordance with relevant local banking legislation. These reserves are not distributable.

iii) Share option reserve

At 1 January	1,250	1,250
Transfer to retained earnings	(1,250)	–
At 31 December	**-**	**1,250**

iv) Remeasurements of post-employment benefit obligations

At 1 January	8	673
Actuarial loss on retirement benefit	684	(665)
At 31 December	**692**	**8**

v) Revaluation reserves

	2023	2022
At 1 January	(50,859)	22,116
Net gain loss from changes in fair value debt securities	(53,812)	(72,975)
At 31 December	**(104,671)**	**(50,859)**

Statutory The revaluation reserve shows the effects from the fair value measurement of investment securities after deduction of deferred taxes. The net loss from changes in fair value in this note ($54 million) represents the owner's part while the amount in the amount in Statement of OCI represent the Group amount $67 million).

Convertible bond – equity component

Movement in equity component of convertibles were as follows:

At 1 January	–	5,084
Equity component of convertible loan not converted during the year	-	(5,084)
At 31 December	**-**	**–**

The equity component of the convertible bond is computed as a residual amount after determining the loan amount using the market rate of an equivalent loan.

vii) Revaluation Reserve – property and equipment

At 1 January	138,825	114,616
Transfer to retained earnings fair value on disposed property	(5,190)	(85)
Net gain from change in fair value	1,875	24,294
At 31 December	**135,510**	**138,825**

viii) Translation reserve

At 1 January	(2,116,708)	(1,793,204)
Currency translation difference arising during the year	(550,561)	(323,504)
At 31 December	**(2,667,269)**	**(2,116,708)**

c) Other equity instruments

At 1 January	74,088	74,088
Attributable to other equity instrument holder	7,312	7,312
Additional tier 1 capital coupon	(7,312)	(7,312)
At 31 December	**74,088**	**74,088**

The As at 31 December 2021, perpetual subordinated notes (Additional Tier 1 – AT1) issued by the Group and recognized under "other equity instruments" totaled $74.1 million. This is the net proceeds after deducting the issuance costs. The parent company raised this instrument with a nominal value of $75 million in September 2021 at a fixed coupon rate of 9.75%, with coupon payment dates of 3 March and 3 September and a first reset date of 3 September 2026. The AT1 instrument was raised for general business purposes and to increase the regulatory capital base of the Group.

42 Cash and cash equivalents

For the purposes of statement of cash flows, cash and cash equivalents comprise the following balances with less than three months maturity.

	2023	2022
Cash and balances with central banks (Note 17)	2,596,218	2,568,620
Treasury Bills and other eligible bills (Note 22)	409,025	780,446
Deposits with other banks (Note 20)	1,229,276	997,716
Deposits from other banks (Note 32)	(336,683)	(963,814)
	3,897,836	**3,382,968**

(All amounts in thousands of US dollars unless otherwise stated)

43 Group entities

a) Significant subsidiaries

	Country of incorporation	Ownership interests	
		2023	2022
Ecobank Nigeria Limited	Nigeria	100%	100%
Ecobank Ghana Limited	Ghana	69%	69%
Ecobank Cote d'Ivoire	Cote d'Ivoire	75%	75%
Ecobank Burkina	Burkina Faso	78%	78%
Ecobank Senegal	Senegal	78%	78%
Ecobank Benin	Benin	79%	79%
Ecobank Cameroon	Cameroon	80%	80%
Ecobank Mali	Mali	93%	93%
Ecobank Togo	Togo	82%	82%

b) Non-controlling interests in subsidiaries that are material to the Group

The following table summarises the information relating to the Group's subsidiary that has material non-controlling interests (NCI), before any intra-group eliminations as at 31 December 2023 and 31 December 2022.

Entity	Ecobank Ghana		Ecobank Côte d'Ivoire		Ecobank Burkina Faso	
NCI percentage	31%	31%	25%	25%	22%	22%
Period	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Loans and advances to customers	831,423	998,301	1,760,084	1,464,391	820,713	742,837
Investment securities	746,869	808,981	1,026,406	1,176,632	534,429	594,441
Other assets	81,512	114,824	121,484	87,936	59,865	42,161
Deposits from customers	2,382,790	2,419,530	2,417,279	2,043,746	1,344,543	1,247,110
Other liabilities	86,289	112,217	153,936	104,637	34,266	23,647
Net assets	322,658	323,954	318,319	317,908	147,857	122,531
Carrying amount of NCI	**100,241**	**100,644**	**79,597**	**79,494**	**32,269**	**26,742**
At 31 December						
Operating income	349,259	258,266	177,388	111,962	99,841	67,732
Profit before tax	111,918	125,824	82,931	48,751	49,334	28,496
Profit after tax	66,751	80,473	74,475	44,487	41,528	22,553
Total comprehensive income	96,580	52,451	47,917	53,090	35,488	16,839
Profit allocated to NCI	**30,005**	**16,295**	**11,982**	**13,275**	**7,745**	**3,675**

c) Significant restrictions

The Group does not have significant restrictions on its ability to access or use its assets and settle its liabilities other than those resulting from the supervisory frameworks within which banking subsidiaries operate. The supervisory frameworks require banking subsidiaries to keep certain levels of regulatory capital and liquid assets, limit their exposure to other parts of the Group and comply with other ratios.

d) Involvement with unconsolidated structured entities

The table below describes the structured entities in which the Group does not hold an interest but is a sponsor. The Group considers itself a sponsor of a structured entity when it facilitates the establishment of the structured entity. These entities were not consolidated in December 2023.

Name	Type of structured entity	Nature and purpose	Investment held by the Group
FCP UEMOA DIVERSIFIE (Incorporated in Ivory Coast in 2007)	Asset-backed structured entity	a) Provide investors with an exposure to a referenced asset such as debt instrument b) Generate fees for agent activities and funding for the Group's lending activities	None
FCP UEMOA RENDEMENT (Incorporated in Ivory Coast in 2007)	Asset-backed structured entity		None

The table below sets out information as at 31 December 2023 in respect of structured entities that the Group sponsors, but which the Group does not have an interest.

Asset-backed structured entities	FCP UEMOA DIVERSIFIE	FCP UEMOA RENDEMENT
Fee income earned from asset-backed structured entities	636	73
Carrying amount of assets transferred by third parties to conduit vehicle		
Carrying amount of the financing received from unrelated third parties	10,499	1,029
The carrying value is stated at book value (costs less impairment)		

The Group does not have any exposure to any loss arising from these structured entities.

44 Related party transactions

The related party is the key management personnel, their related companies and close family relations. The key management personnel included directors (executive and non-executive),and other members of the Group Executive Committee.

A number of banking transactions are entered into with related parties in the normal course of business and at commercial terms. These transactions include loans, deposits, and foreign currency transactions. The volumes of related party transactions, outstanding balances at the end of the period, and relating expense and income for the period as follows:

Loans and advances to related parties	Directors and key management personnel		Related companies	
	31 Dec. 2023	31 Dec. 2022	31 Dec. 2023	31 Dec. 2022
Loans outstanding at beginning of the period	2,076	2,600	43,590	49,590
Loans outstanding at end of the period	1,742	2,076	55,295	43,590
Interest income earned	**116**	**127**	**848**	**159**

No provisions have been recognised in respect of loans given to related parties (2022: nil).

The loans issued to executive directors during the year and related companies controlled by directors were given on commercial terms and market rates.

	31 Dec. 2023	31 Dec. 2022
Directors' remuneration		
Total directors fees and allowances	1,675	1,331

(All amounts in thousands of US dollars unless otherwise stated)

Related party credits

During the year the Group through its subsidiaries granted various credit facilities to directors and companies whose directors are also directors of ETI at rates and terms comparable to other facilities in the Group's portfolio. An aggregate of US$ 55.3 million was outstanding on these facilities at the end of the reporting period. The status of performance of each facility is as shown below:

Name of company/individual	Relationship	Type	Status	Amount
BIDC	Director related	Bonds	Non-impaired	**3,369**
NEDBANK	Director related	Guarantees	Non-impaired	**36,015**
QATAR NATIONAL BANK	Director related	Guarantees	Non-impaired	**15,911**
				55,295

Parent

The parent company, which is also the ultimate parent company, is Ecobank Transnational Incorporated.

45 Banking subsidiaries

	Ownership interests
Ecobank Cameroon	80%
Ecobank Chad	74%
Ecobank Sao Tomé	100%
Ecobank Central Africa	75%
Ecobank Congo Brazzaville	86%
Ecobank Gabon	75%
Ecobank Guinea Equatoriale	60%
Ecobank Benin	79%
Ecobank Burkina Faso	78%
Ecobank Côte d'Ivoire	75%
Ecobank Mali	93%
Ecobank Niger	81%
Ecobank Sénégal	78%
Ecobank Togo	82%
Ecobank Guinea Bissau	96%
Ecobank Cape Verde	99%
Ecobank Ghana	69%
Ecobank Guinea	83%
Ecobank Liberia	100%
Ecobank Sierra Leone	100%
Ecobank Gambia	97%
Ecobank Rwanda	97%
Ecobank Tanzania	100%
Ecobank Kenya	100%
Ecobank Burundi	75%
Ecobank Uganda	100%
Ecobank South Sudan	94%
Ecobank Nigeria	100%
Ecobank Malawi	96%
Ecobank Congo RDC	100%
Ecobank Zambia	100%

Ecobank Zimbabwe	100%
Ecobank Mozambique	99%
SOFIPE Burkina	78%
Ecobank Micro Finance Sierra Leone	100%
Pan-African Savings and Loans Ghana	70%
Pan-African Savings and Loans Cameroon	82%
EBI SA (France)	100%

	Ownership interests
Non Banking subsidiaries	
EDC	98%
EDCN	85%
EDCFM	98%
EDCNIB	98%
OCCL	98%
EIC	98%
EAM	98%
EDCGE	98%
EDCGI	98%
EDCGS	98%
EDCA	98%
EDCC	98%
EDCK	98%
TBPIC*	100%
FCP	41%
EPI	100%
ARTSA	100%
BEW	100%
ESF	100%

(*) TBPIC is an entity for which ETI has control and so it is included in the consolidation scope as per IFRS 10.

46 Events after reporting date

a) Ghana Eurobond

On 12th January 2023, the Government of Ghana announced that it has reached an agreement with its Official Creditors under the G20 Common Framework. The discussion with Eurobond holders is expected to take some few months to conclude.

b) Senior Bridge-to-Bond Loan Facility

On 8 March 2024, Ecobank Transnational Incorporated (ETI), signed a USD 250 million senior unsecured bridge-to-bond Loan Facility with The African Export-Import Bank (Afreximbank) and Africa Finance Corporation (AFC) acting as Global Coordinators and Initial Mandated Lead Arranger. This loan facility aims to support trade finance and the general corporate purposes of the Group. The facility has a tenor of twelve months, with a six-month extension option at the lenders' discretion.

Other Disclosures

(All amounts in thousands of US dollars unless otherwise stated)

STATEMENT OF VALUE ADDED

Year ended 31 December	2023				2022			
	US$'000	%	NGN'000	%	US$'000	%	NGN'000	%
Gross income	**2,825,255**		**1,829,640,052**		**2,529,033**		**1,079,723,479**	
Interest expenses paid	(697,433)		(451,658,824)		(603,751)		(257,760,231)	
Fee and commission expenses	(64,018)		(41,458,168)		(62,915)		(26,860,386)	
	2,063,804		**1,336,523,060**		**1,862,367**		**795,102,862**	
Impairment loss on financial assets	(329,939)		(213,669,070)		(198,066)		(84,560,585)	
Non-conversion premium on bonds	–		–		(40,000)		(17,077,254)	
	1,733,865		**1,122,853,990**		**1,624,301**		**693,465,023**	
Bought in material and services	(599,557)		(388,274,155)		(535,632)		(228,678,094)	
Value Added	**1,134,308**	**100%**	**734,579,835**	**100%**	**1,088,669**	**100%**	**464,786,929**	**100%**
Distributions								
Employees								
Staff salaries and benefits	462,801	41%	299,710,733	41%	447,358	41%	190,991,156	41%
Government								
Income tax	174,439	15%	112,967,000	15%	173,338	16%	74,003,427	16%
Retained in the group								
Asset replacement (depreciation and amortisation)	90,145	8%	58,378,059	8%	101,282	9%	43,240,461	9%
Expansion (transfer to reserves and non-controlling interest)	406,923	36%	263,524,043	36%	366,691	34%	156,551,885	34%
	1,134,308	**100%**	**734,579,835**	**100%**	**1,088,669**	**100%**	**464,786,929**	**100%**

FIVE-YEAR SUMMARY FINANCIALS

US$'000	2023	2022	2021	2020	2019 Restated ***
At the year end					
Total assets	27,230,165	29,004,169	27,561,793	25,939,473	23,641,184
Loans and advances to customers	10,542,753	11,002,905	9,575,865	9,239,948	9,276,608
Deposits from customers	19,973,948	20,813,313	19,713,349	18,296,952	16,246,120
Total equity	1,734,455	2,027,015	2,164,306	2,027,713	1,885,777
For the year					
Revenue	2,063,666	1,861,797	1,756,714	1,679,765	1,622,259
Profit before tax	581,362	540,029	477,992	174,318	405,079
Profit after tax *	406,923	366,691	357,366	88,319	274,934
Profit attributable to ordinary shareholders	287,824	286,430	262,234	4,202	193,958
Earnings per share-basic (cents)	1.170	1.165	1.063	0.01	0.778
Earnings per share-diluted (cents)	1,170	1.165	1.063	0.01	0.778
Dividend (cents)	–	0.11	0.16	–	–
Cost to income ratio	53.9%	56.4%	58.9%	62.7%	66.2%
NPL Ratio	5.4%	5.2%	6.2%	7.6%	9.7%
NPL Cover	86.5%	86.5%	102.1%	74.5%	58.3%
Return on Average Assets	1.4%	1.3%	1.3%	0.4%	1.2%
Return on Tangible Equity (ROTE) **	24.9%	21.1%	19.0%	0.3%	13.2%
Cost of Risk	1.3%	0.1%	1.7%	1.8%	1.1%
Loans/Deposits	55.4%	55.4%	51.9%	53.6%	60.2%

* The profit results for 2020 includes the effects of goodwill impairment charge of $164m.
** Return on equity is calculated as profit attributable to ETI shareholders divided by the average end-of-periods shareholders equity.

Parent Company's Financial Statements

(All amounts in thousands of US dollars unless otherwise stated)

INCOME STATEMENT AND OTHER COMPREHENSIVE INCOME

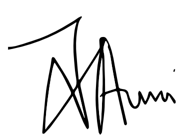
Year ended 31 December	**2023**	**2022**
Interest income	10,361	7,773
Finance cost	(147,331)	(127,332)
Net interest income	(136,970)	(119,559)
Fee and commission income	12,851	32,372
Fee and commission expenses	(994)	(2,985)
Net other operating income	3,919	2,649
Staff expense	(27,917)	(22,132)
Depreciation and amortization	(2,581)	(2,851)
Other operating expenses	(16,378)	(13,977)
Foreign exchange translation	(15,003)	(2,092)
	(183,074)	**(128,575)**
Non-conversion premium on bonds	–	(40,000)
Impairment charges on financial assets	(21,876)	(13,582)
Operating loss after impairment charges	**(204,950)**	**(182,158)**
Share of post-tax results of associates	(2)	(40)
Share of affiliates' profit	869,050	518,396
Share of affiliates' tax	(165,693)	(114,457)
Profit for the year	**498,404**	**221,740**
Other comprehensive income:		
Items that may be subsequently reclassified to profit or loss:		
Share of affiliates other comprehensive loss	(42,219)	(49,371)
Translation loss on Investment in affiliates	(668,471)	(352,914)
Remeasurement of retirement benefit obligation	781	665
	(709,909)	**(401,621)**
Items that will not be reclassified to profit or loss:		
Net valuation loss on FVOCI securities	(640)	(1,404)
Other comprehensive loss for the year	**(710,550)**	**(403,025)**
Total comprehensive loss for the year	**(212,145)**	**(181,284)**

STATEMENT OF FINANCIAL POSITION

As at 31 December	2023	2022
Assets		
Cash and balances with banks	56,006	33,033
Loans and advances to affiliates	215,151	138,186
Investment in securities	3,524	4,140
Other assets	50,849	79,912
Other Investments	160	186
Investment in subsidiaries and other entities	2,940,240	3,106,006
Intangible assets	0	15
Property and equipment	37,508	38,816
	3,303,437	**3,400,294**
Non-current asset held for sale	4,439	9,162
Total assets	**3,307,875**	**3,409,456**
Liabilities		
Other liabilities	73,160	52,292
Short term borrowings	42,084	32,893
Long term borrowings	1,491,937	1,376,898
Lease Liabilities	998	1,049
Retirement benefit obligations	9,788	9,754
Total liabilities	**1,617,966**	**1,472,886**
Equity		
Share capital	618,259	618,259
Share premium	1,499,145	1,499,145
Retained earnings	1,909,758	1,444,619
Other reserves	(2,411,340)	(1,699,541)
Total shareholders' equity	**1,615,821**	**1,862,482**
Other equity instruments	74,088	74,088
Total equity	**1,689,909**	**1,936,571**
Total liabilities and equity	**3,307,875**	**3,409,456**

The financial statements were approved for issue by the board of directors on 14 March 2024 and signed on its behalf by:

Alain Nkontchou
Group Chairman
FRC/2020/003/00000021578



Jeremy Awori
Group Chief Executive Officer

Ayo Adepoju, Ph.D.
Group Chief Financial Officer
FRC/2017/ICAN/00000017517

Parent Company's Financial Statements

(All amounts in thousands of US dollars unless otherwise stated)

STATEMENT OF CHANGES IN EQUITY

	Share capital $'000	Share premium $'000	Retained earnings $'000	Other reserves" $'000	Other equity instruments $'000	Total $'000
At 1 January 2022	**618,259**	**1,499,145**	**1,280,521**	**(1,291,432)**	**74,088**	**2,180,581**
Profit for the year	–	–	221,740	-	-	**221,740**
Other Comprehensive Income proceed from RBO	–	–	–	665	–	665
Translation loss on Investment in affiliates	–	–	–	(352,914)	–	(352,914)
Net unrealized loss on investments	–	–	–	(50,728)	–	(50,728)
Exchange difference on translation of foreign operations (associates)	–	–	–	(47)	–	(47)
Total comprehensive loss	**-**	**-**	**221,740**	**(403,025)**	**-**	**(181,284)**
Equity component not converted	–	–	–	(5,084)	–	(5,084)
Dividend paid to shareholders	–	–	(39,568)	–	–	(39,568)
Share option forfeited	–	–	(10,762)	–	–	(10,762)
Interest paid on other equity instruments	–	–	(7,313)	–	–	(7,313)
At 31 December 2022	**618,259**	**1,499,145**	**1,444,619**	**(1,699,541)**	**74,088**	**1,936,570**
At 1 January 2023	**618,259**	**1,499,145**	**1,444,619**	**(1,699,541)**	**74,088**	**1,936,570**
Profit for the year	-	-	498,404	-	-	498,404
Other Comprehensive Income proceed from RBO	-	-	-	781	-	781
Translation loss on Investment in affiliates	-	-	-	(668,471)	-	(668,471)
Net unrealized loss on investments	-	-	-	(42,836)	-	(42,836)
Exchange difference on translation of foreign operations (associates)	-	-	-	(24)	-	(24)
Total comprehensive loss	**-**	**-**	**498,404**	**(710,550)**	**-**	**(212,145)**
Equity component not converted	-	-	-	-	-	-
Dividend paid to shareholders	-	-	(27,203)	-	-	(27,203)
Share option forfeited	-	-	1,250	(1,250)	-	-
Interest paid on other equity instruments	-	-	(7,313)	-	-	(7,313)
At 31 December 2023	**618,259**	**1,499,145**	**1,909,758**	**(2,411,340)**	**74,088**	**1,689,909**

STATEMENT OF CASH FLOWS

For year ended December	2023	2022
Profit for the year	**498,404**	**221,740**
Adjustment for non cash items:		
Share of associates loss	2	40
Adjustments to equity accounting	(703,356)	(403,938)
Profit on disposal of property plant and equipment	(116)	(37)
Depreciation and amortization	2,581	2,851
Amortization of government grant	(192)	(192)
Provision for doubtful receivables	21,876	14,776
Interest on Lease**	109	105
Foreign exchange loss	15,003	2,092
Current service cost and interest on benefit obligation	1,353	(2,975)
	(164,336)	(165,537)
Changes in working capital		
– other assets	(7,256)	32,984
– other liabilities	(20,868)	3,445
- Loans and advances	76,965	(75,778)
Net cash used in operating activities	**(115,495)**	**(204,886)**
Cash flows from investing activities		
Dividend received	169,569	122,169
Purchase of property, plant and equipment and intangible assets	(947)	(1,009)
Investment in Subsidiaries	(11,137)	(13,238)
Proceeds from the sale of property, plant and equipment	1,069	238
Net cash from investing activities	**158,554**	**108,160**
Cash flows from financing activities		
Proceeds from borrowings	310,033	621,372
Interest payment on lease liability**	(109)	(42)
Principal payment on lease liability**	(345)	(289)
Dividend paid to shareholders*	(27,203)	(39,568)
Interest paid on AT 1 capital*	(7,313)	(7,313)
Repayment of borrowed funds*	(295,150)	(688,338)
Net cash used in financing activities	**(20,086)**	**(114,177)**
Net increase/(decrease) in cash and cash equivalents	22,973	(210,903)
Cash and cash equivalent at the beginning of the year	**33,033**	**243,937**
Cash and cash equivalents at end of the year	**56,006**	**33,033**

* Dividend paid to shareholders and interest paid on AT 1 capital, inappropriately merged with repayment of borrowed funds, have now been presented separately in the comparative cash flow statement for 2022.

** Interest and principal payment of lease liabilities, inappropriately presented as cash flows from operating activities previously, have now been presented as cash flows from financing activities in the comparative cash flow statement for 2022

07 Corporate Information

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Executive management
Ecobank Group

The members of the Group Excecutive Committee as at 31 December 2023 were as follows:

Group Executive Committee	Title	Nationality
Jeremy Awori	Group Chief Executive Officer	Kenyan
Nana Araba Abban[1]	Group Executive, Consumer Banking	Ghanaian
Carol Oyedeji[1]	Group Executive, Commercial Banking (Acting)	Nigerian
Eric Jones Odhiambo	Group Executive, Corporate & Investment Banking	Kenyan
Paul-Harry Aithnard	Regional Executive, UEMOA & Managing Director, Ecobank Côte d'Ivoire	Togolese
Mobolaji Lawal	Regional Executive, Nigeria & Managing Director, Ecobank Nigeria	Nigerian
Daniel Sackey	Regional Executive, AWA & Managing Director, Ecobank Ghana	Ghanaian
Josephine Anan-Ankomah	Regional Executive, CESA & Managing Director, Ecobank Kenya	Ghanaian
Ayo Adepoju	Group Chief Financial Officer	Nigerian
Chinedu Ikwudinma	Group Executive, Chief Risk Officer	Nigerian
Madibinet Cisse	Group General Counsel and Company Secretary	Guinean
Tomisin Fashina[2]	Group Executive, Operations & Technology	Nigerian
Yves Mayilamene	Group Executive, Human Resources	Congolese
Mamat Jobe	Group Executive, Internal Audit and Management Services (Acting)	Gambian
Divine Fola	Head, Group Compliance Officer	Cameroonian

After the year end, the following appointments were made to the Group Executive Committee:

- Abena Osei-Poku, Regional Executive Anglophone West Africa and Managing Director Ecobank Ghana;
- Martin Miruka, Group Executive for Transformation, Enablement and Customer Experience;
- Anup Suri, Group Executive, Consumer and Commercial Banking;
- Michael Larbie; Group Executive, Corporate and Investment Banking;
- Thierry Mbimi, Group Executive, Internal Audit & Management Services.
- Abdoul-Aziz Faye, Group Executive, Technology and Innovation

1. After the year end the Commercial and Consumer Banking businesses were combined under the leadership of Anup Suri who became Group Executive, Commercial and Consumer Banking. Anup Suri became a member of the Group Executive Committee, replacing Nana Araba Abban and Carol Oyedeji.
2. After the year end Tomisin Fashina was replaced as a member of the GEC, following Martin Miruka's appointment as Group Executive for Transformation, Enablement and Customer Experience

Managing Directors	Ecobank Banking Affiliate
Name	**Country**
NIGERIA	
Mobolaji Lawal	Nigeria
Francophone West Africa (UEMOA) Region	
Lazare Noulekou	Benin
Noellie Cecile Djimon Dandjinou Tiendrebeogo	Burkina Faso
Aminata Nana Sakho	Cape Verde
Paul-Harry Aithnard	Côte d'Ivoire
Ghislaine Tankeu Samake	Guinea-Bissau
Mamady Diakite	Mali
Didier Correa	Niger
Sahid Yalou	Senegal
Souleymane Toure	Togo
Anglophone West Africa (AWA) Region	
John Nyaaba	Gambia
Daniel Sackey	Ghana
Diawadou Bah	Guinea
Edward Botchway	Liberia
Sebastian Ashong-Katal	Sierra Leone
Central, Eastern and Southern Africa (CESA) Region	
Desire Butwabutwa Chanou	Burundi
Gwendoline Abunaw	Cameroon
Felix Njoume	Central Africa Republic
Sylvain Pendi	Chad
Alassane Sorgo	Democratic Republic of the Congo
Boubacar Diallo	Equatorial Guinea
Patrick Jules Egounlety	Gabon
Josephine Ankomah	Kenya
Raymond Fordwuo	Malawi
Johnson Mahanya (acting MD)	Mozambique
Olivier Brou Kouame	Republic of the Congo
Carine Umutoni	Rwanda
Dalton Goncalves	Sao Tome and Principe
Didier Koffi Yobou	South Sudan
Charles Asiedu	Tanzania
Grace Bo Muliisa	Uganda
Aina Moore	Zambia
Moses Kurenjekwa	Zimbabwe

Executive management
Ecobank Group

Heads of Representative Offices and Paris Subsidiary	
James Kanagwa	Addis Ababa, Ethopia (Country Rep)
Chanou Moukaram	MD, EBI SA, Paris, France
Clement Chamboko	Johannesburg, South Africa
Nathalie Villette	London, United Kingdom
Ara Bakjejian	Dubai, United Arab Emirates
Anna Wang	Beijing, China

Disclaimer

This annual report or any extract thereof including its abridged version could or may contain forward-looking statements that are based on current expectations or beliefs, as well as assumptions about future events.

These forward-looking statements involve known and unknown risks, uncertainties and other important factors that could in future cause actual results, performance or achievements of the Group to be materially different from those expressed or implied in the forward-looking statements.

These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as 'anticipate', 'target', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'will', 'may', 'should', 'would', 'could' or other words of similar meaning.

Such forward-looking statements are based on assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future.

The Group expressly disclaims any obligation or undertaking to release any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Ecobank has made every effort to ensure the accuracy of the information contained in this annual report relating to such forward-looking statements and believes such information is reliable but does not warrant its completeness or accuracy. The Company shall not be held liable for errors of fact or opinion connected to such forward-looking statements. This, however, does not exclude or restrict any duty or liability that Ecobank has to its customers under any regulatory system.

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A BETTER AFRICA

Share capital overview

Share capital

Ordinary shares — Authorised share capital of 50,000,000,000 at 2.5 US cents ($0.025) per share, of which 24,730,354,443 are issued and outstanding.

	Shareholders	Number of shares held	% Holding
1	NEDBANK GROUP LIMITED	5,249,014,550	21.22%
2	QATAR NATIONAL BANK	4,970,904,524	20.10%
3	ARISE B V	3,487,337,828	14.10%
4	GOVERNMENT EMPLOYEES PENSION FUND/PIC	3,333,333,333	13.48%
5	SOCIAL SECURITY AND NATIONAL INSURANCE TRUST	955,730,453	3.86%
6	MOON INVESTMENTS LTD	787,239,062	3.18%
7	THE BANK OF NEW YORK MELLON	647,883,541	2.62%
8	ENKO OPPORTUNITY GROWTH FUND LTD	560,621,201	2.27%
9	ECOWAS BANK FOR INVESTMENT & DEVELOPMENT	240,209,077	0.97%
10	MIKEADE INVESTMENT COMPANY LIMITED	166,675,914	0.67%
	Top 10 shareholders	20,398,949,483	82.49%
	Other shareholders	4,331,404,960	17.51%
	Total shares outstanding (TSO)	**24,730,354,443**	**100%**

No shareholder under "OTHER SHAREHOLDERS" has up to 1% of ETI shares
Data as of 31 December 2023.

Ecobank Transnational Inc: share range analysis as at 31 December 2023

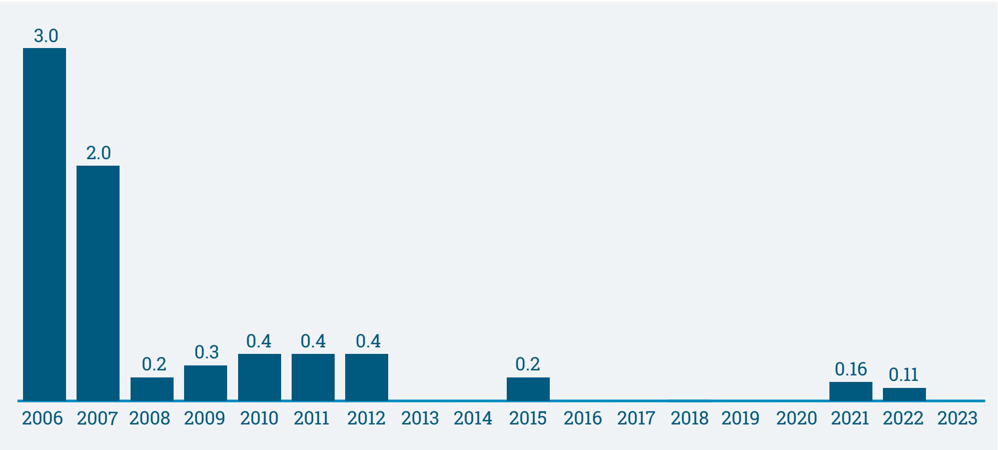
Share range	Number of ETI shareholders	% of Total shareholders	Number of ETI shares	% of Total ETI shares
1 - 1,000	454,081	72.27%	119,606,634	0.48%
1,001 - 5,000	130,239	20.73%	254,830,875	1.03%
5,001 - 10,000	21,159	3.37%	140,982,644	0.57%
10,001 - 50,000	17,308	2.75%	331,508,742	1.34%
50,001 - 100,000	2,477	0.39%	170,813,423	0.69%
100,001 - 500,001	2,191	0.35%	451,906,953	1.83%
500,001 - 1,000,000	394	0.06%	284,091,167	1.15%
1,000,001 - 10,000,000	381	0.06%	1,067,079,321	4.31%
10,000,001 and above	65	0.01%	21,909,534,684	88.59%
TOTAL	628,295	100%	24,730,354,443	100%

Data as of 31 December 2023.

Ordinary share dividend history

Financial year	Dividend per ordinary share		Total dividend
	US$	US$ cents	US$ thousands
2006	0.030	3.0	18,355
2007	0.020	2.0	26,940
2008	0.002	0.2	17,500
2009	0.003	0.3	29,744
2010	0.004	0.4	39,653
2011	0.004	0.4	51,349
2012	0.004	0.4	68,849
2013	0.000	0.0	-
2014	0.000	0.0	-
2015	0.002	0.2	48,200
2016	0.000	0.0	-
2017	0.000	0.0	-
2018	0.000	0.0	-
2019	0.000	0.0	-
2020	0.000	0.0	-
2021	0.0016	0.16	40,000
2022	0.0011	0.11	28,000
2023	0.000	0.0	-

Ordinary share dividend history (US cents)



Listings

Ecobank Transnational Incorporated's (ETI's) ordinary shares are listed on three stock markets in Africa:

Stock market	NGX	GSE	BRVM
Location	Lagos, Nigeria	Accra, Ghana	Abidjan, Côte d'Ivoire
Share price as of 31 December 2023	20.90	0.15	19.00
% change in share price 2023 v 2022	97.2%	0.0%	0.0%
Average daily trading volume (ADTV) for 2023	2,154,175	10,539	315,141
% change in ADTV: 2023 v 2022	(34)%	(69)%	(59)%
Shares held (in millions)	20,380,819,119	2,563,592,868	1,785,942,456

Share capital history

Year	Nature of capital raise	Additional shares	Share capital
2006	Private Placement	53,648,147	454,920,279
2006	Conversion of Convertible Debt	47,500,000	502,420,279
2006	5th Bonus Issue (1:5)	101,533,183	603,953,462
2006	Private Placement	5,248,881	609,202,343
2006	Issue for Market Making at Listing	1,801,205	611,003,548
2006	Employee Share Issue	1,284,449	612,287,997
2007	Share Split (2:1)	612,287,997	1,224,575,994
2007	6th Bonus Issue (1:10)	122,457,599	1,347,033,593
2008	Share Option (CEO)	7,920,000	1,354,953,593
May 2008	Share Split (5:1)	5,419,814,372	6,774,767,965
Aug-Oct 2008	Rights Issue	681,958,227	7,456,726,192
Aug-Oct 2008	Public Offer	1,275,585,719	8,732,311,911
Nov 2009	Conversion of the IFC Convertible Loan	1,181,055,863	9,913,367,774
Nov 2011	Issue to Oceanic Shareholders	2,488,687,783	12,402,055,557
Dec 2011	Issue to Ecobank Nigeria Minority Shareholders	401,524,001	12,803,579,558
Dec 2011	Share Option (CEO)	33,572,650	12,837,152,208
Jul 2012	Issue to GEPF-PIC	3,125,000,000	15,962,152,208
Sep 2012	Issue to IFC CAP FUND	596,590,900	16,558,743,108
Sep 2012	Issue to AFRICA CAP FUND	340,909,100	16,899,652,208
Sep 2012	Issue to IFC ALAC HOLDING COMPANY II	312,500,000	17,212,152,208
Jul 2014	Issue to IFC CAP FUND	628,742,514	17,840,894,722
Jul 2014	Issue to IFC ALAC HOLDING COMPANY II	209,580,838	18,050,475,560
Oct 2014	Issue to NEDBANK GROUP LIMITED	4,512,618,890	22,563,094,450
Dec 2014	Share Option Staff	425,000	22,563,519,450
Jun 2015	Share Option Staff	3,300,000	22,566,819,450
Jul 2015	Conversion of Preference Shares	26,988,980	22,593,808,430
Jul 2015	Bonus Issue	1,506,220,104	24,100,028,534
Oct 2016	Conversion of Preference Shares	630,325,909	24,730,354,443

Holding company and subsidiaries

Headquarters:
Ecobank Transnational Incorporated
2365, Boulevard du Mono
B.P. 3261, Lomé – Togo
Tel: (228) 22 21 03 03
(228) 22 21 31 68

1. Benin
Rue du Gouverneur Bayol
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(229) 21 31 40 23

2. Burkina Faso
49, Rue de l'Hôtel de Ville
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Ouagadougou 01 – Burkina Faso
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(226) 25 49 64 00

3. Burundi
6-Rue de la Science
B.P. 270 Bujumbura – Burundi
Tel: (257) 22 20 81 02 – 03

4. Chad
Avenue Charles de Gaulle
B.P. 87, N'Djaména – Chad
Tel: (235) 22 52 43 14/21

5. Cameroun
Immeuble Champagne Plaza
Rue Ivy French - Bonanjo
B.P 582 Douala - Cameroun
TEL : (237) 233 43 85 43
(237) 233 43 86 09

6. Cape Verde
Avenida Cidade de Lisboa
C.P. 374 /C Praia
Cape Verde
Tél.: (238) 260 36 60

7. Central African Republic
Place de la République
B.P. 910 Bangui – République Centrafricaine
Tel: (236) 21 61 00 42

8. Congo (Brazzaville)
Croisement des Avenues
Gouverneur Général Félix EBOUE et Amical CABRAL
Quartier de la plaine, Centre-ville
B.P. 2485, Brazzaville – Congo
Tel: (242) 06 735 90 00
(242) 05 802 01 00

9. Congo (Democratic Republic)
Siège et Agence Principale
Avenue Kasa-Vubu N°2
Commune de Gombe
Kinshasa – RD Congo
B.P. 7515, Kinshasa
Tel: (243) 99 60 16 000

10. Côte d'Ivoire
Immeuble Ecobank
Avenue Houdaille
Place de la République
01 B.P. 4107 – Abidjan 01
Côte d'Ivoire
Tel: (225) 20 31 92 00
(225) 20 21 10 41

11. Equatorial Guinea
Avenida de la Independencia
APDO.268, Malabo –
Républica de Guinea Ecuatorial
Tel: (240) 333 098 271
(240) 555 300 203

12. Gabon
336 Avenue du Colonel Parant
BP: 12111
Libreville – Gabon
Tél: (241) 011 76 20 71/73
Email: ecobankga@ecobank.com

13. The Gambia
42 Kairaba Avenue
P.O. Box 3466
Serrekunda – The Gambia
Tel: (220) 439 90 31 – 33

14. Ghana
2 Morocco Lane, Off
Independence Avenue,
Ministerial Area
P. O. Box AN16746 Accra, Ghana
Tel: 233 302 610 400
Digital Address: GA-078-6717

15. Guinea (Conakry)
Immeuble Al Iman
Avenue de la République
B.P. 5687
Guinea – Conakry
Tel: (224) 627 27 27 15
(224) 666 70 14 34
Centre d'Appel
(224) 664 100 100

16. Guinea-Bissau
Avenida Amilcar Cabral
C.P. 126, Bissau – Guinea-Bissau
Tel: (245) 95 560 40 26

17. Kenya
Ushuru Pension Plaza
off Muthangari Drive
P.O. Box 49584, Code 00100
Nairobi – Kenya
Tel: (254) 20 288 30 00
(254) 20 496 80 00
(254) 719 098 000

18. Liberia
11th Street, Sinkor
Tubman Boulevard
P.O. Box 4825
1000 Monrovia, 10 – Liberia
Tel: (231) 886 514 298
(231) 886 974 494
Cell:(231) 886 484 116

19. Malawi
Ecobank House,
Corner Victoria Avenue and Henderson Street
Private Bag 389 Chichiri
Blantyre 3 – Malawi
Tel: (265) 999 970 357
(265) 887 374 281

20. Mali
Place de la Nation
Quartier du Fleuve
B.P. E1272
Bamako – Mali
Tel: (223) 20 70 06 00

21. Mozambique
Avenue Vladimir Lenine
nº 210 – C.P. 1106
Maputo – Mozambique
Tel: (258) 21 31 33 44

22. Niger
Angle Boulevard de La Liberté
Et Rue des Bâtisseurs
BP.13804 Niamey – Niger
Tel: (227) 20 73 10 01/20 73 71 81

23. Nigeria
270B, EPAC Building
Ozumba Mbadiwe Road
Victoria Island, Lagos.
Lagos – Nigeria
Tel: (234) 1 271 0391/92

24. Rwanda
KN3 AV4
P.O Box 3268
Kigali – Rwanda
Tel: (250) 788 16 10 00/
(250) 788 16 33 00

25. São Tomé and Príncipe
Edifício HB, Travessa do Pelourinho
C.P. 316
São Tomé – São Tomé e Príncipe
Tel: (239) 222 21 41

26. Senegal
Km 5 Avenue Cheikh Anta DIOP
B.P. 9095, Centre Douanes
Dakar – Senegal
Tel: (221) 33 859 99 99

27. Sierra Leone
3 Charlotte Street
P.O. Box 1007
Freetown – Sierra Leone
Tel: (232) 88 141 015 – 025

28. South Sudan
Heran Building, Juba National Stadium Road,
P.O. Box 150,
Juba, South Sudan
Tél: (211) 922 018 018
(211) 922 118 118

29. Tanzania
Acacia Building
Plot no. 84, Kinondoni Road
P.O.Box 20500,
Dar es Salaam – Tanzania
Tel: (255) 22 292 3471

30. Togo
20, Avenue Sylvanus Olympio
B.P. 3302
Lomé – Togo
Tel: (228) 22 21 72 14

31. Uganda
Plot 8A Kafu Road
P.O. Box 7368
Kampala – Uganda
Tel: (256) 417 700 100
(256) 312 266 078

32. Zambia
Plot 22768 Thabo Mbeki Road,
PO Box 30705, Lusaka Zambia
Tel: (260) 211 367 390
(260) 211 250 056
(260) 211 250 057

33. Zimbabwe
Block A, Sam Levy's Office Park
2 Piers Road
P.O. Box BW1464
Borrowdale
Harare – Zimbabwe
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885443/886607-8

34. EBI SA & ART SA
Les Collines de l'Arche
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France
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Fax: (33) 1 70 92 20 90

35. EBI SA London Representative office
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Tel : +44 (0) 20 3582 8820

36. Ecobank Advisory (Beijing) Ltd
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Dongcheng, Beijing
Beijing, China
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37. Ecobank South Africa
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Johannesburg, South Africa
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38. Ecobank Dubai Representative Office
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Tel:+971 4 327 6996

39. Ecobank Office in Ethiopia
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Addis Ababa – Ethiopia
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Cell:(251) 934 169 784

eProcess International SA
2365, Boulevard du Mono
B.P. 3261, Lomé –Togo
Tel: (228) 22 22 23 70

Shareholder contacts

Questions about your shares?

Please contact the Registrars for queries about:

- Missing or outstanding dividend cheques
- Share verification and de-materialisation or lost share certificate
- Estate questions
- Change/update address on the share register
- Direct payment of dividends into bank (e-dividend registration)
- Eliminating duplicate mailings of shareholder materials
- Uncashed dividend cheques.

Registrars

Abidjan

EDC Investment Corporation

Avenue Houdaille,
Place de la République,
Plateau Imm. Ecobank,
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01 BP 4107 Abidjan 01 – C.I.

Tel: +225 20 21 50 00/72
+225 20 21 50 00/20

Contact: Moise Cocauthrey

Email: myao@ecobank.com

Accra

GCB Bank PLC
Share Registry Unit
Thorpe Road, High Street
P. O. Box 134, Accra-Ghana

Tel: +233 0 244 338 508
+233 0 302 668 656
+233 0 302 668 712

Contact: Michael K. Wereko

Email: mwereko@gcb.com.gh
shareregistry@gcb.com.gh

Lagos

Greenwich Registrars and Data Solutions Limited

274 Murtala Mohammed Way
Yaba, Lagos

Tel: +234 (01) 2793168
+234 (01) 2793160-2

Email: info@gtlregistrars.com

Website: www.gtlregistrars.com

To buy or sell shares in ETI

Nigeria
EDC Securities Limited

8th Floor
Ecobank Pan-African Center (EPAC)
270 B1, Ozumba Mbadiwe Avenue
Victoria Island, Lagos State
Nigeria

Tel: +234 1226 5493
+234 1226 5361

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Tel: (237) 233 43 13 71

Email: edcceeac@ecobank.com

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Accra – Ghana

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Other investor queries

For other queries about investing in ETI shares:

Ecobank Transnational Incorporated

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B.P. 3261, Lomé – Togo

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Contact: Ato Arku

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Company Secretary

Madibinet Cisse
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Tel: (228) 22 21 03 03
(228) 22 21 31 68

Fax: (228) 22 21 51 19

Email: madicisse@ecobank.com

Customer contact services

Services we provide

Account services	• Balance enquiry • Account restriction • Transaction confirmations • Transfer confirmations • Account Information
Card services	• Card activation for online transaction • PIN reset • Card blocking
Complaints	• ATM and POS complaints • Card complaints • Transaction complaints • Service/product delivery days • Staff attitude
Digital support	• Ecobank Online • Omni Lite • Omni Plus • Mobile App/USSD • eAlert & eStatements • AOP (online account opening)
Feedback management	• Customer feedback management and mediation
General enquiries	• Information on Ecobank services/products • Interest rates and FX rates • ATMs and branch locations • Branch contacts • Account opening requirements • Fees and charges
Outbound and telesales	• Customer update and complaint mediation • Telesales and marketing

If you have any enquiries or complaints, kindly call one of our Regional Contact Centres (table below) or email us at: www.ecobankenquiries@ecobank.com

Country	RCC Main Number	RCC Toll Free	RCC Premier Number	RCC Advantage Number	RCC Centre
Benin	+229 21315030				Francophone
Burkina Faso	+226 25327900		+226 25327979		Francophone
Burundi	+257 22280392				Francophone
Cameroon	+237 233505300		237 233505350		Francophone
Cape Verde	238 26 03 660			238 26 03 660	Francophone
Central African Republic	236 72278960 236 72752603				Francophone
Chad	235 22524314 2235 65 72 36 23	3202			Francophone
Congo Brazzaville	+242 058020100				Francophone
Côte d'Ivoire	+225 2721210021	9955			Francophone
DR Congo	+243 996016000				Francophone
Equatorial Guinea	240 555300203 240 555300270				Spanish
Gabon	+241 01791700		+241 (0)11791700	+241 (0)11791700	Francophone
Gambia	2204399033				Anglophone
Ghana	00233 302213999	0800003225 (MTN/ AirtelTigo only) 080030000 (Vodafone only)		00233 302213999	Ghana
Guinea Bissau	+245 965296800				Francophone
Guinea Conakry	+224 664100100				Francophone
Kenya	254709573000 254719098000 254204968000	8002212218			Anglophone
Liberia	231881506900 231881506901				Anglophone
Malawi	265999970355 265999970357 265310002329				Anglophone
Mali	+223 44979444		223 44979449		Francophone
Mozambique	258 21341300 25821313344 258828415945 258847184468				Lusophone
Niger	+227 20731360		227 20731373		Francophone
Nigeria	07005000000 2347080653700 23412701323	0700PREMIER (07007736437)	0700PREMIER (07007736437)	0700ADVANTAGE (070023268243)	Anglophone
Rwanda	250788384000 250788161000				Anglophone
Sao Tome & Principe	239 222 21 41 239 222 26 72				Lusophone

Country	RCC Main Number	RCC Toll Free	RCC Premier Number	RCC Advantage Number	RCC Centre
Senegal	+221 33 849 23 00				Francophone
Sierra Leone	+232 88326326	+232 88326326	+232 88141011		Anglophone
South Sudan	211922018018 211922118118				Anglophone
Tanzania	0800110021	800110021			Anglophone
Togo	+228 22537650				Francophone
Uganda	256757080054 256417700100 256757080054 2566312354100				Anglophone
Zambia	260211367390				Anglophone
Zimbabwe	2637713977171				Anglophone

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