



# **NATIONAL PENSION COMMISSION (PenCom)**

## **2021 ANNUAL REPORT**

# **CORPORATE VISION AND MISSION STATEMENT**

## **Corporate Vision**

“By 2020, to be a pension industry  
with 20 million contributors delivering  
measurable impact on the Economy”

## **Mission Statement**

“PenCom exists for the effective regulation  
and supervision of the Nigerian Pension  
Industry to ensure that retirement benefits are paid as and when due”

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**Charles E. Sylvester Emukhowate**  
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Commissioner, Inspectorate Division



**Anyim C. Nyerere**  
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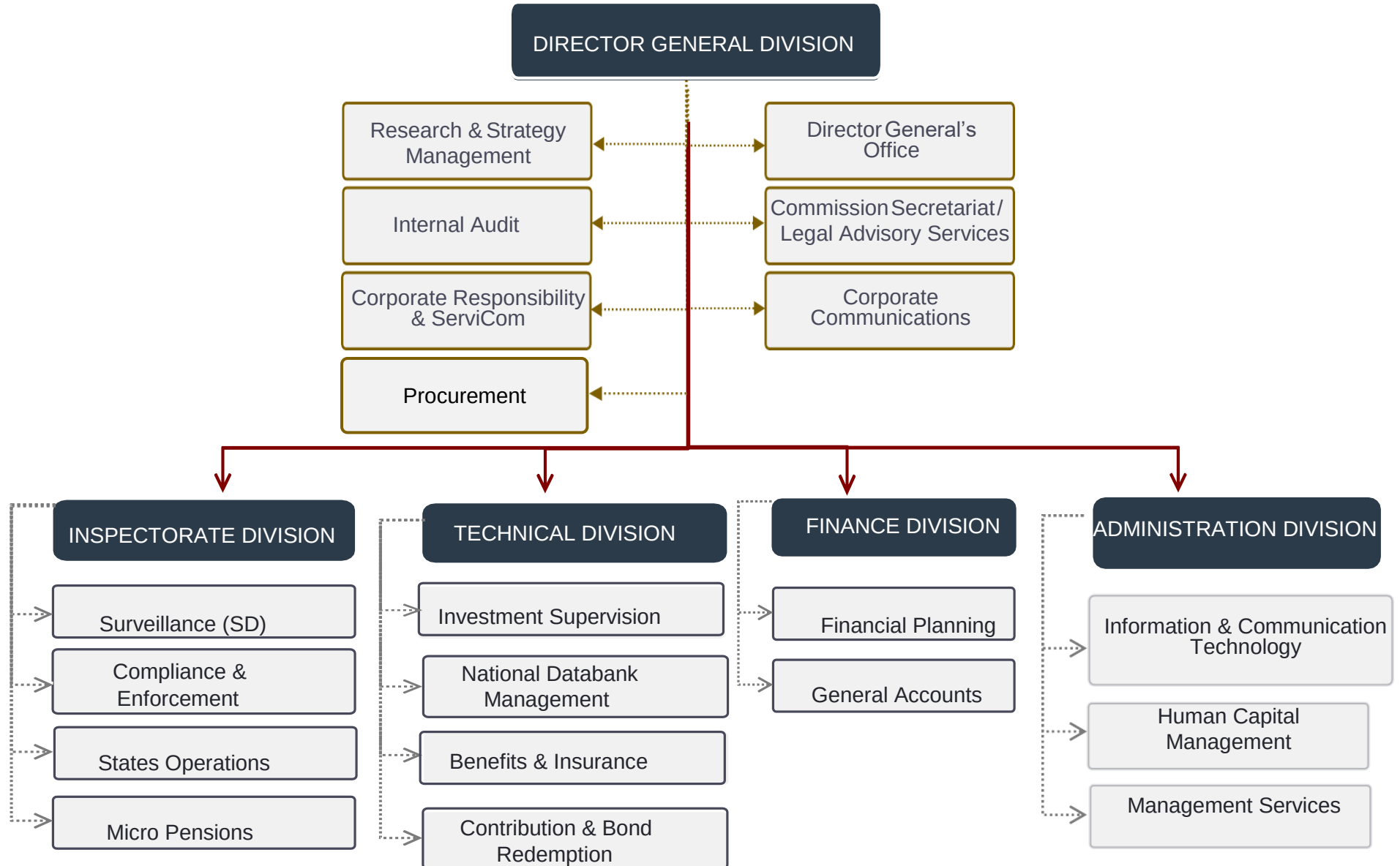


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## MANAGEMENT CONSULTATIVE COMMITTEE MEMBERS

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# ORGANISATIONAL STRUCTURE



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## ABBREVIATIONS AND ACRONYMS

|       |                                                     |
|-------|-----------------------------------------------------|
| AES   | Approved Existing Scheme                            |
| AFIS  | Automated Fingerprint Identification System         |
| ASI   | All Share Index                                     |
| AUM   | Assets Under Management                             |
| BOI   | Board of Inquiry                                    |
| CBN   | Central Bank of Nigeria                             |
| BPP   | Bureau of Public Procurement                        |
| CAGR  | Compounded Annual Growth Rate                       |
| CPA   | Contributory Pension Account                        |
| CPFA  | Closed Pension Fund Administrator                   |
| CPS   | Contributory Pension Scheme                         |
| CRAs  | Contributory Reconciliation Accounts                |
| CRM   | Customer Relationship Management                    |
| CRR   | Cash Reserve Ratio                                  |
| CRS   | Contributor Registration System                     |
| DBS   | Defined Benefits Scheme                             |
| DC    | Defined Contribution                                |
| DMO   | Debt Management Office                              |
| ECRS  | Enhanced Contributor Registration System            |
| EE    | Employee                                            |
| ER    | Employer                                            |
| ETF   | Exchange Traded Fund                                |
| EXCO  | Executive Committee of the Commission               |
| FAAC  | Federation Accounts Allocation Committee            |
| FCT   | Federal Capital Territory                           |
| FGN   | Federal Government of Nigeria                       |
| FICAN | Finance Correspondents Association of Nigeria       |
| FTSE  | Financial Times Stock Exchange                      |
| FOREX | Foreign Exchange                                    |
| FUM   | Funds Under Management                              |
| GDP   | Gross Domestic Product                              |
| GLIP  | Group Life Insurance Policy                         |
| ICT   | Information and Communications Technology           |
| IFC   | International Finance Corporation                   |
| IFRS  | International Financial Reporting Standards         |
| IOPS  | International Organization of Pension Supervisors   |
| IPPIS | Integrated Personnel and Payroll Information System |
| ISMS  | Information Security and Management System          |
| ISSA  | International Social Security Association           |
| LR    | Liquidity Ratio                                     |
| MCC   | Management Consultative Committee                   |
| MDA   | Ministries, Departments and Agencies                |
| MPC   | Monetary Policy Committee                           |
| MPG   | Minimum Pension Guarantee                           |

|          |                                                                          |
|----------|--------------------------------------------------------------------------|
| MPP      | Micro Pension Plan                                                       |
| MPR      | Monetary Policy Rate                                                     |
| NAHCO    | Nigerian Aviation Handling Company                                       |
| NAICOM   | National Insurance Commission                                            |
| NAV      | Net Assets Value                                                         |
| NECA     | Nigeria Employers Consultative Association                               |
| NIBOR    | Nigerian Interbank Offer Rate                                            |
| NOK      | Next of Kin                                                              |
| NPFPL    | Nigerian Police Force Pensions Limited                                   |
| NSE      | Nigeria Stock Exchange                                                   |
| NSITF    | Nigeria Social Insurance Trust Fund                                      |
| NUPEMCO  | Nigerian Universities Pension Management Company                         |
| OMO      | Open Market Operations                                                   |
| PE       | Private Equity                                                           |
| PenCom   | National Pension Commission                                              |
| PFA      | Pension Fund Administrator                                               |
| PCC      | Pension Clearance Certificate                                            |
| PFC      | Pension Fund Custodian                                                   |
| LPFOs    | Licensed Pension Fund Operators                                          |
| PRA 2014 | Pension Reform Act 2014                                                  |
| PTAD     | Pension Transitional Arrangements Directorate                            |
| RAs      | Recovery Agents                                                          |
| RBBRFA   | Retirement Benefit Bond Redemption Fund Account                          |
| RBS      | Risk Based Supervision                                                   |
| REITS    | Real Estate Investment Trust Scheme                                      |
| RLA      | Retiree Life Annuity                                                     |
| RMAS     | Risk Management and Analysis System                                      |
| ROI      | Return on Investment                                                     |
| ROR      | Rate of Return                                                           |
| RSA      | Retirement Savings Account                                               |
| RTS      | RSA Transfer System                                                      |
| SHF      | Shareholders' Funds                                                      |
| ServiCom | Service Compact with all Nigerians                                       |
| SPV      | Special Purpose Vehicle                                                  |
| SRF      | Statutory Reserve Fund                                                   |
| TBs      | Treasury Bills                                                           |
| TCF      | Transitional Contributors Fund                                           |
| TRIPP    | Transparency, Responsiveness, Integrity, Proactivity and Professionalism |
| WC       | Working Capital                                                          |
| WARR     | Weighted Average Rate of Return                                          |
| GNTP     | Global Net Transfer Position                                             |

## MANDATE AND CORE VALUES

### Organizational Mandate

Section 17(1) of the Pension Reform Act (PRA) 2014 provides for the establishment of National Pension Commission (the Commission) and is mandated by Section 18(c) of the PRA 2014 to “*regulate, supervise and ensure the effective administration of pension matters and retirement benefits in Nigeria*”.

### Core Values

The core values of the Commission form an integral part of its people and culture. These principles which are imbibed by staff to effectively actualise our mandate emphasize on **Transparency, Responsiveness, Integrity, Proactivity and Professionalism (TRIPP)**.

- **Transparency:** PenCom regulates and supervises a transparent and accountable pension industry. In this regard, its employees are required to maintain the highest ethical standards as well as create an atmosphere of mutual trust and confidence through openness and clarity in the discharge of their responsibilities.
- **Responsiveness:** The requirement for promptness and efficiency as well as the culture of timeliness and accuracy in service delivery is a cardinal quality of the Commission’s staff.
- **Integrity:** Staff are expected to attain the highest level of integrity in both their personal and official engagements. Commitment to honesty and dedication are virtues that are a hallmark of all the Commission’s staff.
- **Proactivity:** In our commitment to the creation of an anticipatory and change-oriented organisation, PenCom staff are required to possess the ability to act in advance of a future situation, rather than reacting to it.
- **Professionalism:** Staff of the Commission are required to exhibit a high degree of professionalism in the discharge of their responsibilities to members of the public. Therefore, staff must be competent, accountable, respectful, creative, and above all, team players.

## PENCOM CHARTER

PenCom adopts a tailored approach in meeting the needs of each class of its stakeholders as highlighted below:

| Stakeholder       | Promise                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Pensioners        |  <ul style="list-style-type: none"> <li>▪ Timely payment of pension</li> <li>▪ Security of pension assets</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Contributors      |  <ul style="list-style-type: none"> <li>▪ Security of pension assets</li> <li>▪ Ensuring compliance by employers</li> <li>▪ Ensuring effective service delivery by operators</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Government        |  <ul style="list-style-type: none"> <li>▪ A safe and sound industry</li> <li>▪ Positive contribution to economic development</li> <li>▪ Contribution to social safety net</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| PenCom Staff      |  <ul style="list-style-type: none"> <li>▪ Recognition and reward for good performance</li> <li>▪ Provision of a learning environment, opportunities for career development/advancement</li> <li>▪ Promotion of team spirit and provision of conducive working environment</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                       |
| Public            |  <ul style="list-style-type: none"> <li>▪ Provision of effective communication channel</li> <li>▪ Effective communication and enlightenment</li> <li>▪ Responsible corporate organization</li> <li>▪ Environment friendly organization</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Employers         |  <ul style="list-style-type: none"> <li>▪ Pro-activity and responsiveness</li> <li>▪ Ensure compliance</li> <li>▪ Safety of pension assets and fair returns on investment</li> <li>▪ Effective supervision</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Pension Operators |  <p><i>PFAs, CPFAs &amp; PFCs</i></p> <ul style="list-style-type: none"> <li>▪ Effective and efficient regulation and supervision</li> <li>▪ Prompt regulatory and supervisory intervention on all operators' issues</li> <li>▪ Effective capacity development for the industry</li> </ul> <p><i>National Insurance Commission and Pension Transitional Arrangements Directorate (PTAD)</i></p> <ul style="list-style-type: none"> <li>▪ Continuous collaboration with NAICOM for a flourishing life insurance business</li> <li>▪ Effective supervision and technical support for PTAD</li> <li>▪ Technical support for insurance companies in the implementation of the CPS</li> </ul> |

## Chairman's Statement



I am most delighted to present the Commission's 2021 Annual Report, which highlights significant developments in the pension industry during the year. This Report provides industry stakeholders and the general public with details of strategic activities that focused on ensuring the prompt payment of retirement benefits, as well as efforts aimed at promoting a vibrant and sustainable pension industry that positively impacts the Nigerian economy.

I would like to commend the sustained efforts of the Management, staff and our teeming stakeholders which ensured that the Commission's medium-term objectives, as encapsulated in the five strategic focus areas, yielded the desired results. I am elated to note that despite the overwhelming uncertainties in global economic climate in the aftermath of the Covid-19 Pandemic and the challenging macroeconomic environment, the pension industry recorded a total of 9.59 million in schemes membership and ₦13.42 trillion in Pension Assets under Management as at 31 December 2021. This laudable performance, in key growth parameters, points to the fact that the pension industry will continue to deliver value and benefit to our stakeholders and the nation's economy in years to come.

During the year under review, the Commission steadily pursued increased diversification of Pension Fund portfolios by ramping up efforts aimed at ensuring sustained investment of Pension Fund in structured infrastructure projects that meet the stringent requirements as enshrined in the Regulation for the Investment of Pension Fund Assets. We are glad to report that out of the ₦8.77 trillion or 65.35% of the total pension Assets Under Management (AuM) invested in Federal Government Securities, pension funds directly invested ₦118.31 billion in the Sukuk Bond issued by the Federal Government to finance road projects nationwide, ₦59.32 billion was invested in FGN Green Bond, while ₦14.30 billion was invested in Agency Bonds issued by the Nigeria Mortgage Refinance Company. Although the Commission's efforts at diversifying investments of pension funds and hedging against inflation has gradually began to yield results, it is, however, worthy to note that efforts are ongoing to ensure that the annualized average rates of return of pension funds across RSA and Legacy Funds are above headline inflation rates.

Perhaps, the most significant achievement recorded in the 2021 Financial Year was the successful release of the sum of ₦159.46 billion to defray some aspects of outstanding pension liabilities of the Federal Government under the CPS. This followed the Commission's unwavering commitment to ensuring prompt resolution and payment of all pension liabilities, in line with the paramount objectives of the CPS. It is pertinent to note that this effort could not have been easy without the overwhelming support and concerted efforts of the Presidency in granting expedited approval to the Commission's request. We, therefore, express our profound gratitude to His Excellency, President Muhammadu Buhari, for graciously considering and acceding to the Commission's request. This and many of such thoughtful presidential considerations, reecho Mr. President's visionary and people-oriented approach to national leadership and development.

Another strategic and proactive step taken by the Commission to curtail the exigencies occasioned by the outbreak of the Covid-19 Pandemic, was the automation of all business and operational processes to drastically reduce turnaround time and improve customer experience. In furtherance of this, the Commission successfully deployed the Electronic Enrolment System, a self-help, web-based application designed to significantly ease the in-person verification and enrollment of employees of treasury funded MDAs of the Federal Government who were slated for retirement in 2021. This milestone is indeed, a testimony to the Commission's commitment to continuous process improvements and safeguarding the health and safety of our critical stakeholders especially in these uncertain times of rising health related crisis across the globe.

It is an incontrovertible fact that the Commission has been providing the much needed regulatory and supervisory guidance to the Pension Industry since the advent of the CPS in 2004. We have continually evolved through strategic and consultative approaches to remain best positioned to respond to the ever-dynamic business environment. We shall, therefore, stay the course in our pursuit of strategic partnerships with other regulatory agencies and global financial affiliates in order to create a world of sustainable regulatory and supervisory framework, ultimately aimed at ensuring that the primary objectives of the CPS are achieved. In this regard, the Board would continue to readily provide strong leadership and support all strategic priorities and opportunities that align with the pension industry's future growth strategies.

In our determination to improve the financial condition and operational efficiency of the PFAs, the Commission increased the Minimum Regulatory Capital (Shareholders' Fund) requirement for the PFAs from the ₦1,000,000,000 to ₦5, 000,000,000 unimpaired by losses. The increase in the minimum regulatory capital, is expected to strengthen the capacity of the PFAs and increase their presence nationwide through

the creation of more business outlets and generally improve service delivery to members.

These significant achievements in the Nigeria Pension Industry could not have been possible without the right people, strategy, culture and governance structures that support the delivery of consistent and sustained value for all our stakeholders. We have, once again, demonstrated our firm assurance to serving the needs of our stakeholders and providing global best practices in pension regulation and supervision. I, therefore, wish to most heartily express my sincere gratitude to the Director General and the Commissioners, for their exceptional and astute leadership qualities that helped drive the strategic direction of the Commission during the year. To the Staff of the Commission, your contributions to the successes recorded in the industry have been duly noted and shall continue to be supported and rewarded towards obtaining optimum results in delivering the mandates of the Commission. I urge you to be relentless and remain loyal to the values of the Commission in your collective efforts toward strengthening the pension industry, as well as achieving the objectives of the pension reforms in Nigeria.

Let us sustain this momentum in the coming year.

Thank you.

**Dr. Oluremi Oyindasola Oni**  
**Chairman**

## Director General's Report



The 2021 Annual Report of the Commission encapsulates details of significant milestones achieved by the Commission in pursuit of its mandate of regulating and supervising the Nigeria Pension Industry. I am particularly pleased to note that the Commission has continued to consolidate on the gains of the past and focused on ensuring long-term value creation for all stakeholders.

The Commission has remained steadily committed to delivering regulatory and supervisory excellence in the industry, through the implementation of its corporate strategic objectives in spite of the many challenges encountered by the industry. I am however confident that the Commission will consistently pursue innovative and exciting opportunities to respond to the challenges of supervising and regulating the pension industry.

In evaluating our full-year performance, it is important to provide an overview of our operating environment with particular emphasis on the macro-economic indices.

### Review of Operating Environment

Following the containment of the Covid-19 pandemic and eventual relaxation of the non-pharmaceutical interventions, the Nigeria Gross Domestic Product grew at 3.4% in 2021. This was largely driven by the non-oil sector, which contributed 92.76%, while the oil sector recorded 7.24%. Furthermore, the Central Bank of Nigeria (CBN) sustained its various monetary and fiscal interventions aimed at reversing the negative impact of the Covid-19 induced contraction. Specifically, the CBN injected a total of ₦311 billion to finance interventions in the agricultural and manufacturing sectors of the economy, in addition to the ₦498 billion released to Households and Small and Medium Enterprises (SMEs). These monetary stimulus packages energized the real sector and bolstered demand for goods and services. However, it also triggered inflation with an average rate at 17.0% in 2021. Although exchange rate remained relatively stable for most of the year, it gradually depreciated to ₦115.00/\$ in the second half of 2021 and closed at ₦135.00/\$ on the last business day of the year. Despite this depreciation, Nigeria's External Reserves grew to \$40.5billion in 2021. Although the Nigerian economy maintained its recovery stance through the extensive use of monetary and fiscal mechanisms, the growth rate was somewhat slow.

## **The Pension Industry**

The industry remained focused on the resolution of the challenges of outstanding pension liabilities of the Federal Government under the CPS, expansion of coverage of the CPS to the informal sector and the sub-national governments and the diversification of Pension Fund Investment. Other focus areas included the drive to improve the quality of customer service delivery, enhancement of operational capacity of the regulator/operators' workforce and the re-invigoration of the Commission's public enlightenment and education initiatives.

The year under review was quite challenging, but indeed, pivotal in many regards. The Pension Industry was confronted with several intrigues to subvert the provisions of the PRA 2014, with the aggressive push for exemption of the officers and men of the Nigeria Police Force from the Contributory Pension Scheme. At the same time, a Bill was introduced in the lower house of the National Assembly seeking to peg lumpsum payable to RSA holders upon retirement at 75% of total RSA balance and to criminalize delay in payment of benefits. Although the Commission vehemently defended these unguided attempts by providing pragmatic and superior arguments, these attempts, nonetheless, revealed the need for the Commission to increasingly pursue opportunities that holistically address the huge knowledge gap about the underlining tenets of the CPS.

Despite the global economic challenges posed by the macro-economic trend, the Nigerian Pension Industry recorded significant achievements in the area of Schemes' membership. As at 31 December 2021, the total membership of the various pension Schemes increased by 3.39%, from 9,271,665 to 9,586,291. This was dominated by the membership of the RSA Funds with a total of 9,529,127 representing 99.40%, while the AES and the CPFAs accounted for the balance of 0.60% made up of 40,951 and 16,213 members, respectively. The growth was attributed to a number of factors, which included the increase in the level of compliance by the public and private sector employers as a result of the various steps taken by the Commission to improve compliance and coverage as well as enhanced market penetration and strategies deployed by the PFAs. In addition, there was the growing acceptance of the Micro Pension Plan by the informal sector, which recorded a total membership count of 73,691. This growth momentum is expected to continue in the light of the increasing adoption of the CPS by many States and Local Governments, as well as the steady uptake of the Micro Pension Plan by workers in the informal sector.

In terms of net Pension Assets under Management (AuM), the industry recorded a growth rate of 8.85% from ₦12.31 trillion as at fourth quarter 2020 to ₦13.42 trillion in

the corresponding period of 2021. The Pension fund assets were predominantly invested in FGN securities (Bonds and Treasury Bills), while the remaining assets were invested in other asset classes such as States Government Bonds, Ordinary Shares, Corporate Debt Securities, Local Money Market Instruments, Supranational Bonds, Mutual Funds, Infrastructure Funds and Private Equity Funds. The Pension funds were invested in structured infrastructure projects that met the stringent requirements as enshrined in the Regulation for the Investment of Pension Fund Assets.

As at 31 December 2021, ~~N~~8.77 trillion, representing 65.35% of the AuM, was invested in Federal Government Securities. Out of that amount, pension funds directly invested ~~N~~118.31 billion in the Sukuk Bond issued by the Federal Government to finance road projects nationwide. Furthermore, pension funds were invested in FGN Green Bond to the tune of ~~N~~59.32 billion, while ~~N~~14.30 billion was invested in Agency Bonds issued by the Nigeria Mortgage Refinance Company. It is pertinent to note that all investments of pension funds by the Pension Fund Administrators (PFAs) are made in accordance with guidelines and regulations issued by the Commission and guided by the primary objectives of safety and maintenance of fair returns.

Perhaps the most significant development in the Pension Industry in 2021 was the successful reduction of outstanding pension liabilities of the Federal Government under the CPS. The Commission obtained Presidential approval for the sum of ~~N~~159.46 billion to defray some aspects of outstanding pension liabilities of the Federal Government under the CPS. Consequently, the sum of ~~N~~40.55 billion, being the outstanding accrued rights of 6,282 retirees and 2,329 deceased employees, was paid during the year. In the same vein, the sum of ~~N~~66.83 billion was remitted into the RSAs of 85,743 retirees and 693,229 active employees, being the 2.5% shortfall in the rate of employer pension contributions as at 31st December 2021. The balance of ~~N~~52.08 billion was processed in the 2022 financial year. In addition, the Federal Government continued to fund the Retirement Benefits Bond Redemption Fund (RBBRF) Account. With the release of ~~N~~100.29 billion for the payment of accrued rights to retirees of Treasury Funded MDAs, this brought the total amount released by the Federal Government into the RBBRF Account, from inception to 31 December 2021, to ~~N~~980.18 billion.

In keeping with the Commission's focus on improved service delivery in the industry and the need to eliminate the challenges hitherto encountered by our teeming stakeholders during the annual verification exercise, the Commission deployed the Online Enrolment Application on 1 September 2021. It is worthy of note that from the commencement of the 2021 online enrolment exercise, a total of 357 MDAs had uploaded the data of 10,584 retirees on the Application. Out of the 10,584 uploaded data, 6,937 retirees had successfully registered on the Application, while the PFAs had verified and enrolled 6,266 retirees as at 31 December 2021.

## **Regulatory and Supervisory Framework**

The Commission continued to regulate and supervise the Nigerian pension industry in a transparent and consultative manner through the instrumentality of on-site/special examinations, as well as off-site surveillance and analysis of all Pension Fund Operators (PFOs). Specifically, the Commission monitored the activities of the Pension Fund Operators and conducted routine inspection of States' Pension Bureaux to ascertain the level of implementation of the CPS, as well as the administration of the Defined Benefits Schemes (DBS) in the States and the FCT. I am glad to report that the off-site reviews of the thirty-two (32) PFOs indicated that they substantially met all the thresholds set out in extant regulations and guidelines issued by the Commission. Nonetheless, a number of areas of concern were noted and are currently being addressed.

The industry, during the review period, witnessed a number of mergers and acquisitions. The Commission granted approvals to some PFAs to proceed with merger or acquisition of other PFAs. Highlights of the mergers and acquisitions consummated during the year included the acquisition of 100% shareholding of AXA Mansard Pensions Limited by Eustacia Limited and others. Further approval was granted for the change of name of the PFA from AXA Mansard Pensions Limited to Tangerine Pensions Limited. Similarly, Tangerine Pensions Limited merged with APT Pension Funds Managers Limited to birth a new entity. Also, Guaranty Trust Holding Company Plc acquired 100% shareholding of Investment One Pension Managers Limited, while FCMB Pensions Limited completed the next phase of the acquisition of 60% shareholding of AIICO Pension Managers Limited.

Regarding compliance and enforcement activities, the Commission continued to deploy various administrative and legal means to ensure that public and private sector institutions complied substantially with the provisions of the PRA 2014. During the year under review, the Commission processed and issued Pension Clearance Certificates (PCCs) to 25,841 private companies. Available records confirmed that the sum of ₦106 billion was remitted into the RSAs of 364,021 employees by the 25,841 companies that were issued the PCCs. On the other hand, the ongoing recovery of outstanding pension contributions and penalty from defaulting employers recorded positive results as the Commission's appointed Recovery Agents successfully recovered the sum of ₦2.55 billion from 120 defaulting employers. The amounts recovered had since been credited to the respective RSAs of the employees of the affected employers. In the same vein, the Commission continued to take legal steps to recover pension contributions. The Recovery Agents recovered outstanding pension contributions from sixty-seven (67) defaulting employers that failed to remit.

The status of implementation of the CPS in States and the FCT, as at 31 December 2021, remained largely un-changed as a total of twenty-five (25) States of the Federation had enacted pension laws on the CPS, seven (7) States were still at the bill stage while five (5) States were operating other pension Schemes. Out of the five operating other Schemes, four (4) States adopted the Contributory Defined Benefits Scheme (CDBS), while one (1) operated the Defined Benefits Scheme (DBS). In furtherance of the Commission's supervisory mandate, off-site supervision of States Pension Bureaux were conducted in seven (7) States to determine the level of compliance with the remittance of pension contributions under the CPS, payment of accrued rights, the receipt and utilization of administration fees, as well as payment of pensions under the Defined Benefit Scheme. The Commission continued to engage the States with a view to address some notable gaps in the implementation of the pension reforms.

### **Future Outlook**

In the coming year, we expect the Federal Government to sustain the efficiency of Nigeria's fiscal policy by ensuring that the budget cycle remains within the stipulated time frame. The expansionary nature of the ₦17.09 trillion 2022 budget premised on expected improvements in revenues, particularly crude oil prices and stronger economic growth is expected to positively impact the growth of Pension Fund Assets.

It is our earnest expectation that the Pension Industry will continue to thrive, sustain the growth trajectory across memberships of pension schemes, pension contributions and AuM. This is particularly anticipated in the wake of the deployment of automation to enhance operational efficiency and increased drive to expand coverage of the CPS across the public and private sector organizations.

**Aisha Dahir-Umar**  
Director-General

## Operational Activities in the Pension Industry

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## The Operating Environment

### Macroeconomic Developments

In the year under review, aggregate Gross Domestic Product (GDP) stood at N173,527,662.34 million in nominal terms and indicated a year-on-year nominal growth rate of 13.92% when compared to the aggregate GDP of N152,324,070.59 million recorded in 2020. In real terms, Nigeria's GDP stood at N72,393,673.44 million which was indicative of 3.40% annual growth rate in 2021. This performance showed a sustained positive growth and steady economic recovery in 2021. The chart below shows the annual GDP growth rate over the last five years (2017 – 2021).

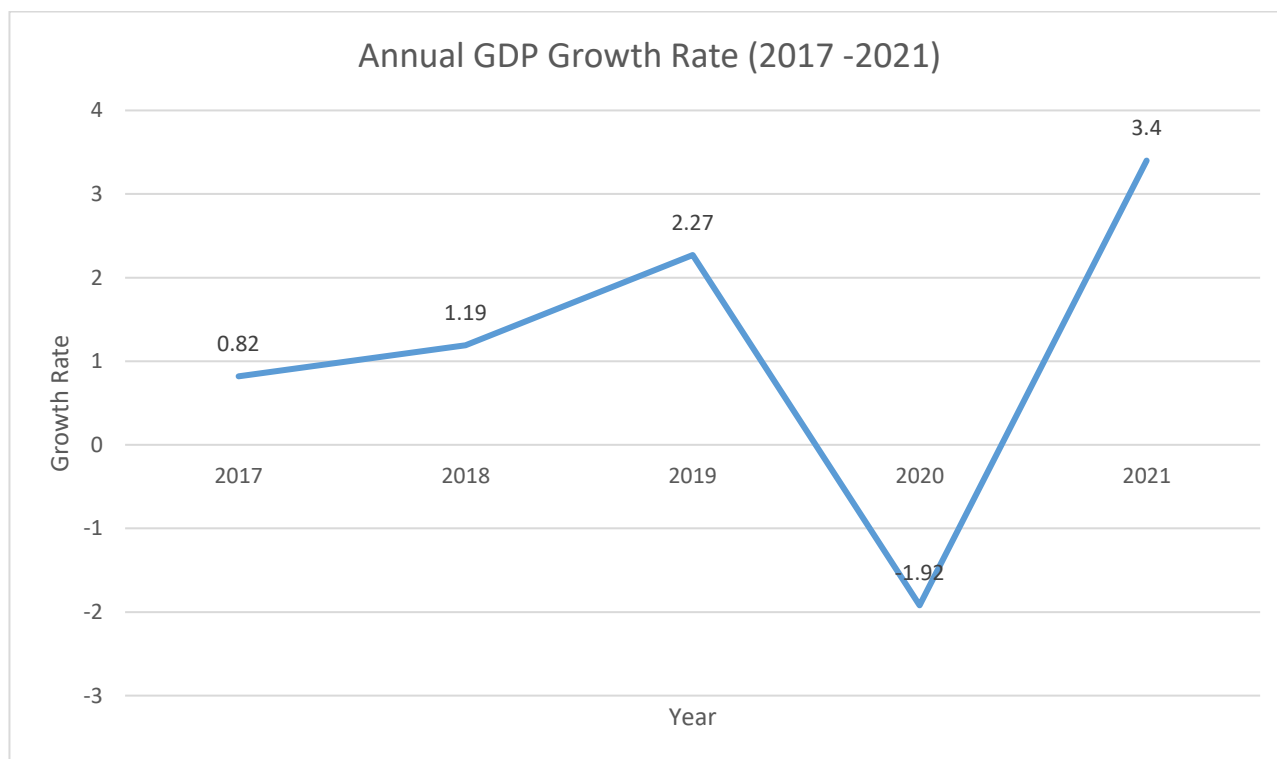


Figure 1: Graph showing Annual GDP Growth Rate

### The Oil Sector

During the year under review, Nigeria recorded an average daily oil production of 1.50 million barrels per day (mbpd). This was lower by 0.06mbpd than the daily average oil production of 1.56mbpd recorded in the same period in 2020. The sector an annual growth rate of -8.30%, and contributed 7.24% to real GDP in 2021.

## **The Non-Oil Sector**

Growth in the non-oil sector stood at 4.73% in real terms during the year 2021. This rate was higher by 3.05% point compared to the rate recorded the same period in 2020. This performance was mainly as a result of increased productivity in the Agriculture; trade; Telecommunication and Financial Services industries. The sector also contributed 92.76% to the nation's GDP in 2021.

## **Developments in the Financial Market**

During the year under review, the performance of the capital market was in tandem with projections as fiscal and monetary stimulus packages energized renaissance in the real sector, despite the fears of Omicron variant of the COVID-19 outbreak impacting negatively on the market. Following the marginal economic recovery in 2021, the Nigerian capital market witnessed a decline in growth, even though the performance indices sustained positive trajectory.

In specific terms, investors traded ~~N~~1.544 trn worth of listed stocks. This was however lower when compared to the ~~N~~1.581 trn that was exchanged in the same period in 2020. The All Share Index (ASI), a major performance indicator rose by 6.07% to close the year at 42,716.44 points, up from the 40, 270.72 points recorded at the close of trading in 2020. Market capitalization on the other hand, stood at ~~N~~22.3trn as at 31 December 2021. This indicated a ~~N~~1.24trn gain on the ~~N~~21.1trn recorded in the same period 2020.

In the fixed income market, the performance of the Bonds Market, indicated that market capitalization had risen from ~~N~~17.501 trn in 2020 to close the year at ~~N~~19.596 trn. The average yields on Treasury bills and Bonds increased rapidly from 6.1% and 5.5%, respectively, to 6.6% and 11.8% by mid-year. Thereafter, competing factors between the supply and demand sides caused yields to trend within a tight band through the rest of year.

Through the year, the market witnessed bearish trends mainly due to volatility even as yields rose significantly in first half of the year due to a combination of factors, including; premature sell off of assets by large institutional investors, the significant reprising of OMO bills, frontloading of borrowings by the government as they sought to raise funds to bridge the budget deficit etc.

Sources: Central Bank of Nigeria  
NGX Exchange  
National Bureau of Statistics

## **PART ONE**

### **CORPORATE ACTIVITIES**

#### **1.0 DIVISIONAL REPORTS**

##### **1.1 DIRECTOR GENERAL'S DIVISION**

###### **1.1.1 Commission Secretariat/Legal Advisory Services Department**

The Commission Secretariat/Legal Advisory Services Department has the mandate to render legal and secretarial services to the Board, Management and all Departments within the Commission. The Commission's seal and original copies of legal instruments were under the custody of the Department. Other activities of the Department during the period under review included the coordination of the Commission's appearance at any Public Hearings organized by the Senate and/or House of Representatives, review of draft Bills, coordination of the issuance of information requested by Non-Governmental Organizations in compliance with the Freedom of Information Act, 2011 as well as managing litigations directly or through appointed external solicitors.

###### **1.1.2 Corporate Communications Department**

The Department continued to promote the corporate image of the Commission through multi-faceted channels aimed at enlightening the general public on the roles and activities of the Commission as well as the workings of the Contributory Pension Scheme (CPS). In addition, it produced quarterly newsletters, which highlighted significant events in the pension industry and organized various interactions with journalists and many sensitization programs with various stakeholders. It published infographics and advertisements relating to the CPS and other information on pension matters on several media platforms.

###### **1.1.3 Corporate Responsibility & ServiCom Department**

The Department implemented the Corporate Social Responsibility efforts of the Commission. It also coordinated the consumer protection efforts of the Commission covering Front Desk and Contact Centre activities as well as handled complaints and enquiries received by the Commission through the electronic and social media platforms.

###### **1.1.4 Director General's Office Department**

The Department managed the Commission's Strategic Relationship with the relevant stakeholders including Governmental and Non-Governmental Organisations, Development Partners as well as local and international institutions. It also provided effective and efficient security, protocol and liaison services for the Commission.

#### **1.1.5 Internal Audit Department**

The Internal Audit Department conducted the audit of the Commission's various financial transactions after which detailed recommendations were made and approved by Management for implementation. It also conducted routine audit exercises on the level of compliance, by departments, with existing business policies and processes laid down for the smooth operations of the Commission.

#### **1.1.6 Procurement Department**

The Procurement Department ensured timely and efficient procurement of goods, works and services for the Commission in strict adherence with the Public Procurement Act 2007 and other guidelines and regulations issued by the Bureau of Public Procurement (BPP). The Department carried out the Needs Assessment for goods and services by all departments in the Commission, coordinated the insurance of the Commission's assets, supervised and monitored the implementation of various projects and coordinated the issuance of job completion certifications.

#### **1.1.7 Research and Strategy Management Department**

The Research and Strategy Management Department formulated, monitored, implemented and evaluated the performance of the initiatives contained in the Commission's Corporate and Pension Industry Strategy Plans. The Department continued to coordinate research activities, which supported policy decisions by the Commission. In addition, the Department monitored, analysed and maintained the statistics of the pension industry during the year. The Department equally drafted position papers for Management as well as developed and presented papers at various sensitization and awareness fora. It managed the contents of the Commission's website, supervised the Commission's Library and produced the Commission's Monthly Statistics as well as Quarterly and Annual Reports.

### **1.2 ADMINISTRATION DIVISION**

#### **1.2.1 Management Services Department**

The Department provided logistics support and ensured the attainment of a safe and conducive work environment for staff of the Commission both at the Head Office and

Zonal Offices. It also collaborated with other Departments to attain the Commission's strategic priorities by providing effective management of the services provided to the Commission by various third service providers.

### **1.2.2 Information and Communication Technology Department**

The Information and Communication Technology Department continued to provide robust connectivity, secure internet and network services to the Commission. It also ensured the availability of ICT services through effective provision and supervision of data facilities and other IT support services. The department developed and deployed the Enhanced Contributor Registration System (ECRS), which replaced the Contributor Registration System (CRS) as well as the RSA Transfer System (RTS), which provided the enabling environment for pension contributors to transfer their Retirement Savings Accounts (RSAs) from one Pension Fund Administrator (PFA) to another.

### **1.2.3 Human Capital Management Department**

The Department provided effective human resource management for the Commission, which covered, but not limited to training and career development of the Commission's staff and the Pension Industry. It ensured the effective allocation of human resources to support the Commission's strategic priorities and coordinated capacity building programmes for the Pension Industry. It also coordinated the introduction of pension courses at undergraduate and postgraduate levels in Nigerian universities and implemented the Departmental and Student Rewards to motivate students to sign up for the pension courses in these universities.

### **1.2.4 Projects Office**

The Projects Office designed and implemented the Commission's Risk Management Framework. The Office ensured the development of an effective Information Security Management System (ISMS) for the Commission as well as the harnessing of opportunities for continuous improvement of the ISMS processes in the Commission. In addition, the Office managed risks associated with the Commission's operational processes, ensured compliance with the industry and regulatory enterprise risk management practices and also coordinated the implementation of the Commission's Business Continuity Plan. The department coordinated the Surveillance Audit of the Commission's ISMS, which was successfully certified ISO27001:2013 compliant by the Professional Evaluation and Certification Board Management Services (PECB MS).

## **1.3 INSPECTORATE DIVISION**

### **1.3.1 Surveillance Department**

The Department examined all Licensed Pension Operators during the year and also conducted Special (Target) Examinations using the Risk Based Supervision (RBS) approach to ensure the effective administration of the Pension Industry. The RBS approach ensures that all Operators are evaluated in a comprehensive manner and that supervisory attention is appropriately focused on those Operators exhibiting weaknesses in their operations.

### **1.3.2 Compliance and Enforcement Department**

The Department continued to implement various strategies to ensure compliance with the provisions of the PRA 2014 by both the private and public sector organizations. The strategies included the issuance of Pension Clearance Certificates, public enlightenment on the provisions of the Pension Reform Act (PRA 2014) as well as the engagement of Agents to recover outstanding pension contributions with penalties. The Department supervised the refund of pension contributions to the Military and Security/Intelligence personnel that were exempted from the CPS, supervised the Pension Transitional Arrangements Directorate (PTAD) and the on-going transfer of the Nigeria Social Insurance Trust Fund (NSITF) contributions into members' Retirement Saving Accounts (RSAs), pursuant to the provisions of Section 53(2) of the PRA 2014.

### **1.3.3. Micro Pension Department**

The Department implemented the Framework and Guidelines for the participation of informal sector employees in the CPS through the Micro Pension Plan. It carried out several enlightenment and awareness programmes to enlighten Trade Unions and secure their buy-in into the Micro Pension Plan.

### **1.3.4 States Operations Department**

The Department provided technical support on the implementation of the CPS by State Governments. It also provided services closer to the stakeholders through the Commission's six Zonal Offices. These included routine inspections of States' Pension Boards and Bureaux in order to ascertain their levels of compliance with the CPS, complaints handling, collection of applications for Compliance Certificates as well as conducting sensitization workshops.

## **1.4 TECHNICAL DIVISION**

### **1.4.1 Benefits and Insurance Department**

The Department processed the requests for approval for payment of retirement/terminal benefits submitted by PFAs on behalf of RSA holders or beneficiaries. These included benefit payments through Programmed Withdrawal (PW) and Retiree Life

Annuity (RLA) as well as requests for death benefit claims to the named legal beneficiaries of the deceased RSA holders. In addition, the Department had, during the period under review, processed other benefit payments such as enbloc, temporary loss of job, voluntary contributions and Pre-Act / NSITF contributions.

#### **1.4.2 Contributions and Bond Redemption Department**

The Department computed the pension contributions of employees of Treasury-Funded Federal Government of Nigeria (FGN) Ministries, Departments and Agencies (MDAs) that were yet to migrate to IPPIS and remitted the funds to the respective RSAs of the employees. In addition, the Department, in conjunction with the Information and Communication Technology Department, developed the electronic enrolment and verification system, which was used to conduct the verification and enrolment of prospective retirees of FGN MDAs for the purpose of computing their accrued pension rights. Similarly, the Department computed and paid accrued rights of all retirees and deceased employees of FGN Treasury Funded MDAs.

#### **1.4.3 Investment Supervision Department**

The Department supervised the investment of pension fund assets through the review of daily portfolio valuation reports of the RSA Funds. It also reviewed the monthly reports of the Closed Pension Fund Administrators (CPFAs), Approved Existing Schemes (AES) and other Legacy Funds. Furthermore, it ensured that pension fund assets were appropriately valued in accordance with the Regulation on Valuation of Pension Fund Assets issued by the Commission. The Department approved fees computations by LPFOs and reviewed the audited accounts of the Pension Funds.

#### **1.4.4 National Data Bank Management Department**

The Department maintained a comprehensive database of contributors and retirees under the CPS. It handled the resolution of all RSA registration and contributor data updates as well as continued the data recapture exercise towards the provision of a single lifetime RSA to every contributor under the CPS based on unique identification. It worked in conjunction with the Information and Communication Technology Department in the development and deployment of a new RSA Registration Application (Enhanced Contributor Registration System) and the development of the RSA Transfer System (RTS), to facilitate the transfer of RSAs from one PFA to another.

### **1.5 FINANCE DIVISION**

#### **1.5.1 Financial Planning Department**

The Department prepared, monitored and analyzed the Commission's annual budget. It also prepared periodic reports on budget performance as well as the preparation of supplementary budgets, when required. The Department liaised with relevant Government Agencies regarding budgetary matters and monitored the investments made from the Contributory Pension Account being managed by the CBN.

### **1.5.2 Accounts Department**

The Department maintained complete, accurate and reliable financial records as well as ensured the provision of funds for the smooth operations of the Commission. It also facilitated the external audit of the Commission's annual accounts and ensured that best practices were adhered to on the physical control of the Commission's fixed assets.

## **2.0 REGULATORY AND SUPERVISORY ACTIVITIES**

The Commission continued to regulate and supervise the Nigerian pension industry in a transparent and consultative manner. Specifically, the regulatory and supervisory activities covered surveillance; compliance and enforcement; investments monitoring; and the maintenance of databank on pension matters. All regulatory and supervisory activities were targeted towards achieving a sound and sustainable pension industry.

### **2.1 Surveillance of the Pension Industry**

Section 92(1) of the Pension Reform Act (PRA) 2014, empowers the Commission to examine licensed Pension Operators at least once every year. Consequently, the Commission continued to monitor the activities of the Pension Operators through the instrumentality of on-site/special examinations as well as off-site surveillance and analysis of all Pension Fund Operators. In addition, the Commission conducted the inspection of States' Pension Boards/Bureaux to ascertain the level of implementation of the CPS as well as the administration of the Defined Benefits Schemes (DBS) in the States and the FCT.

#### **2.1.1 On-Site/Special Examinations of Pension Operators**

During the year under review, the Commission conducted routine on-site examination of the LPFOs. Following the conclusion of the examination exercise, the Commission presented reports of its findings and recommendations to the respective Boards of LPFOs for their review and implementation.

Similarly, the enhanced off-site monitoring of the activities of the LPFOs continued through analysis of their periodic reports submitted via the Risk Management & Analysis

System (RMAS). As at 31 December 2021, all the LPFOs had rendered complete returns covering compliance, risk management and internal audit functions as well as the monthly management accounts. The reports indicated that the LPFOs substantially met all the thresholds set out in extant regulations and guidelines issued by the Commission. Nonetheless, a number of areas of concern were noted and are being addressed as enumerated in I-IV below:

#### **i. Un-Credited Pension Contributions**

A notable outcome of the 2021 review of LPFOs records was the un-credited pension contributions domiciled in the Contribution Reconciliation Accounts (CRAs) of PFAs totalling **N73.97 billion**. This amount represented contributions remitted by employers to the Pension Fund Custodians (PFCs), but yet to be credited into the employees' Retirement Savings Accounts (RSAs) due to the submission of incomplete or inaccurate schedules by employers. The Commission has given a six month timeline to the PFAs and PFC to follow up with the respective employers and ensure that the funds are appropriately transferred to the employees' RSAs.

#### **ii. Position of the Transition Contributors Fund**

Another notable outcome of the review was the uncredited contribution domiciled in the Transition Contributors Fund (TCFs) of PFAs totalling **N19.52 billion**. The TCF Account was created to keep pension funds of employees that failed to open RSAs in line with Section 4.1.1 of the Guidelines for Transitional Contributions Fund. This requires a PFA chosen by employers whose employees have received salary for a minimum of six months, but failed to open a Retirement Savings Account, to create and maintain a TCF to manage the accumulated pension contributions pending when the employees opened Retirement Savings Accounts. The Commission had equally mandated the PFAs to ensure resolution of all outstanding contributions in the TCF and forward monthly status reports.

#### **iii. Status of Commitments from 2021 Routine Examinations**

As at 31 December 2020, a total of 625 commitments out of the 749 remedial actions recommended by the Commission following the 2021 Routine Examinations had been regularized by the LPFOs. These remedial actions were to address identified inadequacies noted in the operations of the LPFOs during the 2019 Routine Examinations.

#### **iv. Review of the Pension Industry Report on the Financial Condition and Performance of the LPFOs**

During the year under review, the Commission reviewed the financial conditions and performances of all the 32 LPFOs. The review was conducted to determine the liquidity, solvency, profitability and operating efficiency of the LPFOs, using their Audited

Financial Statements as at 31 December 2021. The highlights of the reviews are presented below:

**a. Paid-up Capital/Shareholders' Funds Position of the LPFOs**

The total Shareholders' Fund (SHF) of the PFAs rose by 12.58% from ₦150.04 billion in 2020 to ₦169.417 billion as at 31 December 2021. The CPFAs recorded a 12.18% increase in their SHF from ₦1.36 billion in 2020 to ₦1.52 billion in 2021. The PFCs reported a total SHF of ₦52.52 billion, an increase of 9.87% when compared with the ₦47.79 billion reported in 2020.

However, on 27 April 2021, the Commission approved the increase of the minimum regulatory capital requirement for PFAs, from SHF of ₦1 billion to ₦5 billion, unimpaired by losses. The increase had a 12-month transition period up to 27 April 2022. This led to significant increase in the total Shareholders Fund (SHF) of the PFAs as most PFAs commenced additional capital injection, in line with the Commission's directive.

Thus, as at 31 December 2021, 10 PFAs had met the new capital requirement. The PFAs that were yet to meet up with the new capital requirement were advised to provide their recapitalization plans to the Commission as well as bi-monthly status reports in order to monitor their progress in this regard.

The CPFAs recorded a 4.48% increase in their SHF from ₦1.48billion in 2020 to ₦1.55 Billion in 2021. The PFCs reported a total SHF of ₦52.52 Billion, an increase of 4.23% when compared with the ₦50.39 Billion reported in 2020

**b. Working Capital (WC) of the LPFOs**

In terms of Working Capital (WC), the PFAs reported a total of ₦125.04 billion, which represented a 7.83% increase, when compared with the amount of ₦115.96 billion recorded in 2020. The Industry WC average was ₦5.68 billion, with all PFAs reporting positive positions. Two PFAs had WC of ₦10 billion and above with the remaining 20 PFAs reporting WC between ₦100 million and ₦10 billion.

The CPFAs reported total WC of ₦1.54 billion, an increase of 5.48%, when compared with the ₦1.46 billion reported in 2020. The average Working Capital for CPFAs was ₦256.44 million, with all CPFAs reporting positive WCs. It is important to note that WC reported by the CPFAs, would not impede their operational activities, as the CPFA leverage on their sponsor companies for the settlement of most operational expenses.

Similarly, the PFCs reported a combined WC of ₦44.35 billion, an increase of 6.72% when compared with the WC of ₦41.55 billion reported in 2020. The average Working Capital for PFCs was ₦11.08 billion, with all PFCs reporting positive WC in 2021.

### c. Earnings and Profitability of the LPFOs

The PFAs generated total earnings of ₦125.39 billion in the financial year ended 31 December 2021. This indicated an increase of 14.33%, when compared with total income of ₦109.68 billion earned in 2020. Total operating expenses amounted to ₦65.58 billion (2020: ₦55.20 billion). Thus, gross operating profits in the industry increased from ₦54.78 billion in 2020 to ₦59.52 billion in 2021. The major source of income for the PFAs was fund management fees, which accounted for over 90% of total income. The PFAs recorded combined Return on Assets of 19.68% and Return on Equity of 25.44%. This indicated that the PFAs sustained their profitability in the year under review.

The six CPFAs generated total revenue of ₦3.65 billion, which was an increase of 19.67%, when compared with the total inflow of ₦3.05 billion generated in 2020. The major source of inflows for the CPFAs were receipts from their sponsor companies, which constituted 65% of their total revenue, while management fees and investment income accounted for 32% and 3% respectively. The CPFAs incurred total expenditure of ₦3.55 billion and a net gain of ₦92.44 million for the year ended 31 December 2021. Operating expenses comprised mainly of staff costs, which accounted for over 65% of operating expenses.

### 1.2.2 Update on Appointment of Board Members of LPFOs

During the year under review, the Commission granted approval for the appointment of the under-listed persons as Directors on the Board of these LPFOs

| S/N | Name of Nominee    | Operator                              | Position                                  | Date of Appointment |
|-----|--------------------|---------------------------------------|-------------------------------------------|---------------------|
| 1   | Ms. Blessing Ogwu  | UBA Pension Custodian Limited         | Managing Director                         | January 2021        |
| 2   | Mr. Olumide Oyetan | Stanbic IBTC Pension Managers Limited | Managing Director/Chief Executive Officer | January, 2021       |
| 3   | Mr. Dare Otitoju   |                                       | Executive Director, Investment            | January, 2021       |

| S/N | Name of Nominee              | Operator                           | Position                                   | Date of Appointment                     |
|-----|------------------------------|------------------------------------|--------------------------------------------|-----------------------------------------|
| 4   | Ms. Juliet Ehimuan           |                                    | Non-Executive Director                     | March, 2021                             |
| 5   | Ademola A.Sogunle            |                                    | Chairman                                   | September, 2021                         |
| 6   | Mr. Adeniyi Odunsi           | First Pension Custodian            | Non-Executive Director                     | February, 2021                          |
| 7   | Mr. Peter Surulere Aletor    | Veritas Glanvills Pensions Limited | Non-Executive Director                     | February, 2021                          |
| 8   | Mr. Humphrey Assisi Asobie   | NUPEMCO                            | Non-Executive Director                     | March, 2021                             |
| 9   | Atiku Saleh Dambatta         |                                    | Independent Director                       | August, 2021                            |
| 10  | Mr. Shakiru Lawal            | Nestle Nigeria Trust CPFA Limited  | Non-Executive Director                     | March, 2021                             |
| 11  | DIG Joseph O. Egbunike       | NPF Pensions Limited               | Non-Executive Director                     | March, 2021                             |
| 12  | Mrs. Thelma Amata Iremiren   | NLPC Pension Fund Administrators   | Non-Executive Director                     | March, 2021                             |
| 13  | Mr. David Bell               | Leadway Pensure Limited            | Non-Executive Director                     | March, 2021                             |
| 14  | Mr. Victor Bisong            | Radix Pension Managers Limited     | Managing Director                          | March, 2021                             |
| 15  | Mr. Olanrewaju Idris         | Leadway Pensure PFA Ltd            | Managing Director/ Chief Executive Officer | April, 2021 (effective September, 2021) |
| 16  | Mr. Mohammed Yayangida Umar  | UBA Pension Custodian Limited      | Independent Non-Executive Director         | May, 2021                               |
| 17  | Mr. Ugochukwu Alex Nwaghodoh | UBA Pension Custodian Limited      | Non-Executive Director                     | May, 2021                               |
| 18  | Mr. Abayomi Adesope          |                                    | Executive Director Operations              | June, 2021                              |

| S/N | Name of Nominee                  | Operator                                        | Position                                             | Date of Appointment |
|-----|----------------------------------|-------------------------------------------------|------------------------------------------------------|---------------------|
|     |                                  | Leadway Pensure PFA Limited                     |                                                      |                     |
| 19  | Mr. Franklin N. Ngwu             | Access Pension Fund Custodian                   | Independent Non-Executive Director                   | June, 2021          |
| 20  | DIG. Sanusi N. Lemu              | NPF Pensions Limited                            | Non-Executive Director                               | May 2021            |
| 21  | ACP. Zubairu Abdullahi           | NPF Pensions Limited                            | Non-Executive Director                               | May, 2021           |
| 22  | Mr. Musa Nasr                    | Trustfund Pensions Limited                      | Managing Director/ Chief Executive Officer           | June, 2021          |
| 23  | Uche Modestus Ihechere           |                                                 | Executive Director                                   | June, 2021          |
| 24  | Eno Adetayo Olugbemi             |                                                 | Executive Director                                   | June, 2021          |
| 25  | Mr. Uche Modestus Ihechere       | FCMB Pensions Limited                           | Executive Director, Finance & Benefit Administration | June, 2021          |
| 26  | Mrs. Elohor Aiboni               | Shell Nig. Close Pension Fund Administrator Ltd | Non-Executive Director                               | June, 2021          |
| 27  | Mr. Christopher Babatunde Bajowa | FCMB Pensions Limited                           | Managing Director/Chief Executive Officer            | July 2021           |
| 28  | ACP. Olufunke A. Ogunbode        | NPF Pensions Limited                            | Non-Executive Director                               | July, 2021          |
| 29  | Mrs. Nnenna Anyim-Okoro          | Stanbic IBTC Pension Managers Limited           | Non-Executive Director                               | August, 2021        |
| 30  | Umar Sanda Mairami               | Premium Pension Limited                         | Managing Director                                    | September 2021      |
| 31  | Kabir Ahmed Tijjani              | Premium Pension Limited                         | Executive Director                                   | September 2021      |

| S/N | Name of Nominee              | Operator                                                  | Position                                      | Date of Appointment |
|-----|------------------------------|-----------------------------------------------------------|-----------------------------------------------|---------------------|
|     |                              |                                                           |                                               |                     |
| 32  | Mrs. Omowunmi Majekodunmi    | Leadway Pensure PFA Limited                               | Non-Executive Director                        | August, 2021        |
| 33  | Rajesh Kamble                |                                                           | Non-Executive Director                        | December, 2021      |
| 34  | Mohammed Wann                |                                                           | Non-Executive Director                        | December, 2021      |
| 35  | Mr. Olufemi Emmanuel Adebayo | Progress CPFA Limited                                     | Executive Director Sales and Investment       | August 2021         |
| 36  | Mr Olusegun Aganga           | Leadway Pensure Limited                                   | Chairman                                      | September 2021      |
| 37  | Titi Odunfa Adeoye           | FCMB Pensions Limited                                     | Independent Non- Executive Director           | September 2021      |
| 38  | Comrade Joseph Ajaero        | Trustfund Pensions Limited                                | Non- Executive Director                       | November 2021       |
| 39  | Charles Ifedi                | PAL Pensions Limited                                      | Non- Executive Director                       | November 2021       |
| 40  | Mr. Abiodun Yusuf            | Progress Trust Closed Pension Fund Administrators Limited | Non- Executive Director                       | November 2021       |
| 41  | Adefoluso Adebanke Agbede    | NLPC PFA Limited                                          | Executive Director                            | November 2021       |
| 42  | Daniel Ajuhian               | UBA Pension Fund Custodian Limited                        | Executive Director                            | September, 2021     |
| 43  | Mr. Yomi Onitiju             |                                                           | Executive Director                            | November 2021       |
| 44  | Mr Babatunde Otun            | AIICO Pensions Managers Limited                           | Ag. Managing Director/Chief Executive Officer | December 2021       |
| 45  | Mr Asue Ighodalo             | AIICO Pensions Managers Limited                           | Ag. Chairman                                  | December 2021       |
| 46  | Mr. Victor Ibiakuchi         | Total CPFA                                                | Non-Executive Director                        | December 2021       |

| S/N | Name of Nominee          | Operator                            | Position                                      | Date of Appointment |
|-----|--------------------------|-------------------------------------|-----------------------------------------------|---------------------|
| 47  | Mrs Jolaade Oduntan      | IEI-Anchor Pension Managers Limited | Ag. Managing Director/Chief Executive Officer | December 2021       |
| 48  | Hassan Adeyinka          |                                     | Non-Executive Director                        | March 2021          |
| 49  | Bassey Emmanuel          |                                     | Non-Executive Director                        | March 2021          |
| 50  | Ayeni Oludele            |                                     | Non-Executive Director                        | March 2021          |
| 51  | Mr. Temitope Adegbonmire | Chevron Closed PFA Limited          | Managing Director/Chief Executive Officer     | December 2021       |
| 52  | Donald Onuoha            | Fidelity Pension Limited            | Executive Director                            | November, 2021      |

### 1.2.3 Update on Appointment of Board Members of LPFOs

Some directors exited the Board of LPFOs in 2021 due to resignation, redeployment and retirement (in line with Nigeria Code of Corporate Governance 2018 and Guidelines on Corporate Governance for LPFOs issued by the Commission). The details are provided in the table below:

| S/N | NOMINEE                  | OPERATOR                              | POSITION               | DATE EXITED      |
|-----|--------------------------|---------------------------------------|------------------------|------------------|
| 1   | Mr. Yinka Sanni          | Stanbic IBTC Pension Managers Limited | Chairman               | 30 June 2021     |
| 2   | Mr. Olusakin A. Labeodan | Leadway Pensure PFA Limited           | Executive Director     | 19 August 2021   |
| 3   | Mr. Jordi Borrut-Bel     | Progress Trust CPFA Limited           | Chairman               | 18 August 2021   |
| 4   | Adesola Okeowo           | Chevron                               | Managing Director      | 22 October 2021  |
| 5   | Conrad Ifode             | CrusaderSterling Pensions Limited     | Executive Director     | 01 November 2021 |
| 6   | Sarbeswar Sahoo          | Leadway Pensure Limited               | Non-Executive Director | 05 November 2021 |
| 7   | David Bell               | Leadway Pensure Limited               | Non-Executive Director | 10 November 2021 |

|    |                     |                                              |                      |                  |
|----|---------------------|----------------------------------------------|----------------------|------------------|
| 8  | Amaka<br>Andy-Azike | Fidelity Pension<br>Managers<br>Limited      | Managing<br>Director | 30 November 2021 |
| 9  | Glory<br>Etaduovie  | IEI-Anchor<br>Pension<br>Managers<br>Limited | Managing<br>Director | 2 December 2021  |
| 10 | Adeniyi<br>Falade   | CrusaderSterling<br>Pensions<br>Limited      | Managing<br>Director | 31 December 2021 |

#### **d. Review of Corporate Governance Reports**

All LPFOs had submitted their 2021 Corporate Governance and Board Performance Evaluation Reports to the Commission. These reports were reviewed in line with the provisions of the Nigeria Code of Corporate Governance (NCCG) 2018 and the Commission's Guidelines on Corporate Governance for Licensed Pension Operators (Guidelines) 2021. The noted deficiencies in some of the reports included limited diversity in Board composition as well as policies on whistle blowing, sustainability and claw-back. These deficiencies were highlighted to the Operators and the respective Operators had been advised.

#### **1.2.4 Update on the Issuance of Guidelines and Regulations**

The Commission issued the following Circulars and Frameworks during the year:

- i. Classification and Valuation of Pension Fund Assets Under International Financial Reporting Standards (IFRS 9)
- ii. Transfer of Post-Transfer Revised Transaction History
- iii. Modification of the RSA Transfer Process
- iv. Revised Minimum Share Capital Requirement for Licensed Pension Fund Administrators (PFA)
- v. Fee Structure for the Micro Pension Fund
- vi. Administrative Sanctions on the RSA Transfer System
- vii. Adoption of the Improved National Identification Number Slip (INS)
- viii. Violation of Sections 4.16, 5.1.5 and 5.1.7 of the Revised Regulation on Retiree Life Annuity (RSA) By the Branch and Zonal Offices' Staff of PFAs
- ix. Valuation of Bonds

- x. Fee Structure for Non-Interest Fund (FUND VI)
- xi. Prior Approval of Proposed Audit Fees Chargeable to Pension Funds
- xii. Appointment and Assumption of Office of Directors and Top Management Staff of Licensed Pension Operators
- xiii. Commencement of Capturing Ten (10) Fingerprint Images for Retirement Savings Account (RSA) Registration and Data Recapture

## **Framework**

- i. Framework for Enlightenment and Public Awareness for the Micro Pension Plan
- ii. Operational Framework for Non-Interest Funds
- iii. Framework and Implementation Guideline for Fund VI

*All the Regulations, Guidelines and Frameworks issued by PenCom are available on [www.pencom.gov.ng](http://www.pencom.gov.ng).*

### **1.2.5 Update on Mergers and Acquisitions**

As a result of the increase in the minimum regulatory capital for PFAs, the Pension Industry witnessed consolidation among some Pension Operators during the review period. The Commission granted approvals to some PFAs to proceed with merger or acquisition of other PFAs as follows:

- i. The Commission approved the acquisition of 100% shareholding of AXA Mansard Pensions Limited by Eustacia Limited and Mr. Ehimare Eric Idiahi. Further approval was granted for the change of name of the PFA from AXA Mansard Pensions Limited to Tangerine Pensions Limited.
- ii. Furthermore, the Commission granted “No Objection” for the merger between Tangerine Pensions Limited and APT Pension Funds Managers Limited.
- iii. The Commission also granted “No Objection” for the acquisition of 100% shareholding of Investment One Pension Managers Limited by Guaranty Trust Holding Company Plc.
- iv. The EXCO granted FCMB Pensions Limited ‘No Objection’ response for the next phase of the acquisition of 60% shareholdings of AIICO Pension Managers Limited during the year under review.

### **1.2.6 Compliance and Enforcement Activities**

The Commission continued to deploy various administrative and legal means to ensure the public and private sector institutions complied substantially with the provisions of the PRA 2014. During the year, the following compliance mechanisms were deployed by the Commission and recorded considerable success. Highlights of the compliance and enforcement activities are presented hereunder.

#### **i. Issuance of Pension Clearance Certificates**

In line with the provisions of Section 2 of the PRA 2014, the Commission continued to process and issue Pension Clearance Certificates (PCC) to private sector organizations that met the requirements. The PCC is mandatory for companies bidding for Federal Government contracts as provided in the Public Procurement Act, 2007 and being enforced in furtherance of its collaboration with the Commission.

In 2020, the Commission received 26,541 applications for issuance of PCCs out of which, 25,841 were issued while 700 applications were rejected due to failure of the applicants to meet the stipulated requirements. The records confirmed that the sum of ~~N~~106 billion was remitted into the RSAs of 364,021 employees by the 25,841 applicants that were issued the PCCs. The list of requirements as well as the companies issued with the Certificates during the year are hosted on the Commission's website at [www.pencom.gov.ng](http://www.pencom.gov.ng).

#### **ii. Recovery of Outstanding Pension Contributions and Penalty from Defaulting Employers**

The Commission retained the services of Recovery Agents (RAs) for the recovery of outstanding pension contributions and penalties from defaulting employers. The RAs were required to review the pension records of the employers and recover outstanding pension contributions with penalties.

During the year under review, the sum of ~~N~~2.55 billion was recovered by the RAs from 120 defaulting employers. This brought the total recoveries made from inception of the exercise in 2012 to 31 December 2020, to ~~N~~20.82 billion. This figure represents principal contributions of ~~N~~10.79 billion and penalties of ~~N~~10.03 billion. The amounts recovered had since been credited to the respective RSAs of the employees.

In the same vein, the Commission continued to take legal steps to recover pension contributions from sixty-seven (67) defaulting employers that failed to remit outstanding pension contributions and penalty as established by the RAs. In the meantime, a significant number of employers have initiated the remittance of their outstanding liabilities in response to final demand/pre-action notices served on them by the Commission.

### **iii. Supervision of the Pension Transitional Arrangements Directorate**

In line with Section 92(1)(c) of the PRA 2014, the Commission conducted Off-Site Examination of Pension Transitional Arrangements Directorate (PTAD). Copies of the Examination Reports were forwarded to the Honorable Minister of Finance and the Executive Secretary of PTAD.

### **iv. Pension Payment to FGN Retirees under the DB Scheme**

The Commission monitored payment of pensions to Public Service Retirees under the DBS through monthly statutory returns rendered by PTAD. During the year under review, a total of ₦91.36 billion was paid to FGN retirees under the DB Scheme as detailed in Table 1 below:

Table 1: Summary of Pension Payment to FGN Retirees (Jan –Dec. 2021)

| <b>S/N</b> | <b>Month</b> | <b>No. of Pensioners</b> | <b>Amount Paid (N)</b>   |
|------------|--------------|--------------------------|--------------------------|
| 1          | January      | 220,370                  | 6,602,338,265.40         |
| 2          | February     | 220,510                  | 6,969,862,579.48         |
| 3          | March        | 220,937                  | 7,003,371,583.78         |
| 4          | April        | 221,630                  | 7,052,855,325.76         |
| 5          | May          | 226,299                  | 9,044,655,622.07         |
| 6          | June         | 226,739                  | 9,067,130,741.33         |
| 7          | July         | 227,575                  | 9,102,296,020.89         |
| 8          | August       | 227,365                  | 9,103,693,082.79         |
| 9          | September    | 227,869                  | 9,121,967,768.76         |
| 10         | October      | 228,295                  | 9,146,824,579.28         |
| 11         | November     | 228,294                  | 9,143,336,518.17         |
| 12         | December     | 217,299                  | 8,581,628,525.18         |
|            | <b>Total</b> |                          | <b>91,358,332,087.71</b> |

### **v. Refund of Pension Contributions to Personnel of the Military and State Security Agencies**

The Commission received 153 applications for the refund of pension contributions to Military and other Security Service Agencies' personnel exempted from Contributory Pension Scheme. Consequently, approval was granted for the refund of ₦16million to 125 applicants while 28 others were returned because the applications in previous batches.

### **1.2.7 Update on National Social Insurance Trust Fund Activities**

#### **i. Transfer of NSITF Contributions into Members' Retirement Savings Accounts**

During the year, the Commission received fifty-five (55) batches of applications from the coordinating PFA on behalf of 1,092 NSITF contributors. The Commission reviewed and approved the transfer of the sum of ₦62.25 million into the RSAs of the 1,025 contributors. From 2009 (when the transfers commenced) to December 2020, a total sum of ₦10.31 billion had been transferred to the RSAs of 141,266 NSITF contributors.

#### **ii. Lump Sum/One-Off Payments**

As at 31 December 2021, fifty-one (51) requests for approval were received on behalf of 256 NSITF contributors for lumpsum payments. The sum of ₦7.86 million was approved for payment to 208 NSITF contributors while 48 others were rejected either due to incomplete documents or variances in the amount submitted for payment and the amount on the NSITF database. To date, a total sum of ₦2.96 billion has been paid as lumpsum to 36,916 NSITF contributors.

#### **iii. Monthly NSITF Pension Payments**

The Commission approved the payment of monthly pensions totaling ₦241.55 million to 3,627 NSITF Pensioners during the year. Total pension payment to NSITF Pensioners amounted to ₦5.17 billion from November 2006 to 31 December 2021.

### **1.2.8 : Update on the Implementation of the CPS by State Governments**

During the year under review, the Commission carried out a number of activities aimed at driving the implementation of the CPS in the States and Local Governments across the Federation. Specifically, the Commission engaged the Executive Governors of Plateau, Edo, Cross River, Abia, Enugu, Ondo and Osun State as well as the Deputy Governor of Nasarawa State. The meetings held at various times, reviewed the steps so far taken by the States towards implementing the CPS and also acquainted the State Governors with the inherent benefits accruable to the States upon achieving full implementation of the CPS.

Notably, the Commission granted 'No Objection' to list the ₦125 billion from the balance of the ₦500 billion, Lagos State Bond issuance programme as an investible instrument in the Pension industry. This followed the satisfaction of conditions stipulated in the Commission's extant circular on the matter.

The status of implementation of the CPS in States and the FCT as at 31 December

2021 remained largely un-changed compared with the corresponding period of 2020. A total of twenty-five (25) States of the Federation had enacted pension laws on the CPS, seven (7) States were at the bill stage while five (5) States were operating other pension Schemes. Out of the five operating other Schemes, four (4) States adopted the Contributory Defined Benefits Scheme (CDBS), while one (1) operates the Defined Benefits Scheme (DBS). This is detailed in table 2 below.

Table 2: Status of Implementation of CPS in States and the FCT as at 31 Dec. 2021

| STATUS OF IMPLEMENTATION OF THE CPS IN STATES AND FCT AS AT 31 DECEMBER 2021                                                                               |                                 |                                                     |                                                |                                           |                        |                           |                              |                                |                                                |                                      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|-----------------------------------------------------|------------------------------------------------|-------------------------------------------|------------------------|---------------------------|------------------------------|--------------------------------|------------------------------------------------|--------------------------------------|
| States At Bill Stage                                                                                                                                       | States with Enacted Laws on CPS | States with Pension Bureaux/Boards in line with CPS | States Remitting ER & EE Pension Contributions | States that Conducted Actuarial Valuation | Availability of RBBRFA | Funding of Accrued Rights | Payment of Pension Under CPS | Valid Group Life /Sinking Fund | States Remitting only EE Pension Contributions | States with Other Pension Schemes*** |
| Number of States                                                                                                                                           |                                 |                                                     |                                                |                                           |                        |                           |                              |                                |                                                |                                      |
| (7)                                                                                                                                                        | (25)                            | (15)                                                | (10)                                           | (7)                                       | (9)                    | (6)                       | (5)                          | (7)                            | (2)                                            | (5)                                  |
| KWARA                                                                                                                                                      | LAGOS                           | LAGOS                                               | LAGOS                                          | LAGOS                                     | LAGOS                  | LAGOS                     | LAGOS                        | LAGOS                          | KEBBI                                          | JIGAWA                               |
| PLATEAU                                                                                                                                                    | FCT                             | FCT                                                 | FCT*                                           | FCT                                       | FCT                    | FCT                       | FCT                          | FCT                            | RIVERS                                         | KANO                                 |
| RIVER                                                                                                                                                      | OSUN                            | OSUN                                                | OSUN*                                          | OSUN                                      | OSUN                   | OSUN                      | OSUN                         | OSUN                           |                                                | YOBE                                 |
| BORNO                                                                                                                                                      | KADUNA                          | KADUNA                                              | KADUNA                                         | KADUNA                                    | KADUNA                 | KADUNA                    | KADUNA                       | ONDO                           |                                                | GOMBE                                |
| AKWA IBOM                                                                                                                                                  | DELTA                           | DELTA                                               | DELTA*                                         | DELTA                                     | DELTA                  | DELTA                     | DELTA                        | EDO                            |                                                | ZAMFARA                              |
| BAUCHI                                                                                                                                                     | EKITI                           | EKITI                                               | EKITI*                                         | EKITI                                     | (LG)                   | ANAMBRA (LG)              |                              | EKITI                          |                                                |                                      |
| KATSINA                                                                                                                                                    | ONDO                            | ONDO                                                | ONDO*                                          | RIVERS                                    | RIVERS                 |                           |                              | KADUNA                         |                                                |                                      |
|                                                                                                                                                            | EDO                             | EDO                                                 | EDO                                            |                                           | NIGER                  |                           |                              |                                |                                                |                                      |
|                                                                                                                                                            | BENUE                           | BENUE                                               | BENUE                                          |                                           | EKITI                  |                           |                              |                                |                                                |                                      |
|                                                                                                                                                            | KEBBI                           | KEBBI                                               | ANAMBRA*                                       |                                           |                        |                           |                              |                                |                                                |                                      |
|                                                                                                                                                            | NIGER                           | NIGER                                               |                                                |                                           |                        |                           |                              |                                |                                                |                                      |
|                                                                                                                                                            | RIVERS                          | RIVERS                                              |                                                |                                           |                        |                           |                              |                                |                                                |                                      |
|                                                                                                                                                            | OGUN                            | OGUN                                                |                                                |                                           |                        |                           |                              |                                |                                                |                                      |
|                                                                                                                                                            | BAYELSA                         | BAYELSA                                             |                                                |                                           |                        |                           |                              |                                |                                                |                                      |
|                                                                                                                                                            | KOGI                            | KOGI                                                |                                                |                                           |                        |                           |                              |                                |                                                |                                      |
|                                                                                                                                                            | ANAMBRA                         |                                                     |                                                |                                           |                        |                           |                              |                                |                                                |                                      |
|                                                                                                                                                            | ABIA                            |                                                     |                                                |                                           |                        |                           |                              |                                |                                                |                                      |
|                                                                                                                                                            | TARABA                          |                                                     |                                                |                                           |                        |                           |                              |                                |                                                |                                      |
|                                                                                                                                                            | IMO                             |                                                     |                                                |                                           |                        |                           |                              |                                |                                                |                                      |
|                                                                                                                                                            | SOKOTO                          |                                                     |                                                |                                           |                        |                           |                              |                                |                                                |                                      |
|                                                                                                                                                            | ADAMAWA                         |                                                     |                                                |                                           |                        |                           |                              |                                |                                                |                                      |
|                                                                                                                                                            | EBONYI                          |                                                     |                                                |                                           |                        |                           |                              |                                |                                                |                                      |
|                                                                                                                                                            | NASARAWA                        |                                                     |                                                |                                           |                        |                           |                              |                                |                                                |                                      |
|                                                                                                                                                            | ENUGU                           |                                                     |                                                |                                           |                        |                           |                              |                                |                                                |                                      |
|                                                                                                                                                            | OYO                             |                                                     |                                                |                                           |                        |                           |                              |                                |                                                |                                      |
| * States with backlog of Remittance: Osun, Anambra, Delta, FCT Area Councils, Ekiti and Ondo                                                               |                                 |                                                     |                                                |                                           |                        |                           |                              |                                |                                                |                                      |
| *** 2 States (Jigawa and Kano) implementing CDBS. Gombe and Zamfara have laws on CDBS, but yet to commence implementation, while Yobe is implementing DBS. |                                 |                                                     |                                                |                                           |                        |                           |                              |                                |                                                |                                      |

### 1.2.10: Update on the Implementation of the Micro Pension Plan

During the year, the PFAs registered a total of 11,228 MPP participants. This brought the cumulative number of MPP participants registered between March 2019 and 31 December, 2021 to 73,691. Details of the registered MPP participants by PFAs are shown in Table 3 below:

Table 3: RSA Registrations for the Micro Pension Plan (MPP)

| S/NO | PFA Name                    | Total No. of RSAs as at 31 Dec. 2020 | Total RSAs Registered in 2021 | Total No. of RSAs as at 31 December 2021 |
|------|-----------------------------|--------------------------------------|-------------------------------|------------------------------------------|
| 1    | AIICO Pension Managers      | 877                                  | 391                           | 1,268                                    |
| 2    | APT Pension Fund Managers   | 1,708                                | 1,979                         | 3,687                                    |
| 3    | ARM Pension Managers        | 15,880                               | 1,646                         | 17,526                                   |
| 4    | AXA Mansard Pensions        | 636                                  | 204                           | 840                                      |
| 5    | Crusader Sterling Pensions  | 1,269                                | 176                           | 1,445                                    |
| 6    | FCMB Pensions               | 1,862                                | 233                           | 2,095                                    |
| 7    | Fidelity Pension Managers   | 6,481                                | 249                           | 6,730                                    |
| 8    | First Guarantee Pensions    | 660                                  | 89                            | 749                                      |
| 9    | IEI-Anchor Pension Managers | 2,997                                | 178                           | 3,175                                    |
| 10   | Investment One Pensions     | 743                                  | 86                            | 829                                      |
| 11   | Leadway Pensure PFA         | 808                                  | 142                           | 950                                      |
| 12   | NLPC Pension Fund           | 1,519                                | 268                           | 1,787                                    |
| 13   | Oak Pensions                | 533                                  | 144                           | 677                                      |
| 14   | Pensions Alliance           | 6,084                                | 421                           | 6,505                                    |
| 15   | Premium Pensions            | 6,134                                | 407                           | 6,541                                    |
| 16   | Radix Pension Managers      | 131                                  | 2                             | 133                                      |
| 17   | Sigma Pensions              | -                                    | -                             | -                                        |
| 18   | Stanbic IBTC Pension        | 8,745                                | 2,660                         | 11,405                                   |
| 19   | Trustfund Pensions          | 2,824                                | 1,676                         | 4,500                                    |
| 20   | Veritas Glanvills Pensions  | 2,572                                | 277                           | 2,849                                    |
|      | <b>Total</b>                | <b>62,463</b>                        | <b>11,228</b>                 | <b>73,691</b>                            |

Analysis of the MPP registration count revealed that the top 3 PFAs accounted for 48.39% of the total MPP registrations while the top 5 and top 10 PFAs accounted for 66.10% and 88.22% of the total registrations, respectively. Furthermore, the bottom 3 PFAs accounted for 1.10% of total MPP registrations while the bottom 5 and 10 PFAs accounted for 3.24% and 11.78% of the total MPP registrations, respectively, as at 31 December, 2021. The breakdown of the PFA rankings on the MPP registrations is indicated in Table 4 below.

Table 4: Ranking of PFAs' Registrations for the Micro Pension Plan (MPP)

| Rankings                      | Registered Number | %     |
|-------------------------------|-------------------|-------|
| Top 3                         | 35,661            | 48.39 |
| Top 5                         | 48,707            | 66.10 |
| Top 10                        | 65,013            | 88.22 |
| Bottom 3                      | 810               | 1.10  |
| Bottom 5                      | 2,388             | 3.24  |
| Bottom 10                     | 8,678             | 11.78 |
| <b>Total MPP Registration</b> | <b>73,691</b>     |       |

#### *Pension Contributions Received from the MPP Participants*

During the year under review, a total of ₦134,925,936.31 was credited into the RSAs of MPP participants. This brought the cumulative amount credited to ₦224,054,870.69 as at 31 December 2021. Table 5 below showed the summary of pension contribution under the MPP.

Table 5: Summary of Pension Contributions Under the MPP

| No. of PFAs | Total No. of RSAs | Contributions as at Dec. 2020 (₦) | Contributions for the Period Jan-Dec 2021 (₦) | Total Contributions from Inception to 31 Dec 2021 (₦) |
|-------------|-------------------|-----------------------------------|-----------------------------------------------|-------------------------------------------------------|
| 19          | 73,691            | 89,128,934.38                     | 134,925,936.31                                | 224,054,870.69                                        |

A breakdown of the pension contributions received in 2021 showed that three PFAs accounted for about 48% of total pension contributions while the bottom three cumulatively recorded 1.09% of the total pension contributions.

#### *Update on Contingent Withdrawals*

Nineteen (19) PFAs processed and approved MPP Contingent Withdrawals for Sixty-Eight (68) Micro Pension Contributors amounting to ₦17,776,596.04 in the year, 2021. This brought the cumulative contingent withdrawal made by MPP contributors to ₦20,033,680.73 as at 31 December, 2021.

#### *Conversion to Mandatory CPS*

A total of **209** MPP Contributors converted to the Mandatory CPS in the year 2021 and their pension contributions valued at ₦2,441,521.01 moved to their RSAs. This brought the total number of MPP Contributors that converted to the Mandatory CPS to **259** with a cumulative amount of **₦3,680,292.77** as at 31 December 2021.

### 1.2.11: Update on Group Life Insurance Policy

In compliance with the provisions of Section 4(5) of the PRA 2014, a total of 21,000 employers covered under the CPS submitted their Certificates of Group Life Insurance Policy (GLIP) covering over 352,461 employees. A breakdown of the 21,000 employers indicated that 20,994 were from the private sector while 6 were from the public sector (FGN and State Government MDAs).

Table 6 Group Life Insurance Policy for the Year 2021

| S/No | Sector                | Number of Employers | Number of Employees |
|------|-----------------------|---------------------|---------------------|
| 1    | Private Sector        | 25, 841             | 364,021             |
| 2    | FGN MDAs              | 6                   | 1,949               |
| 3    | State Government MDAs | 9                   | 65,347              |
|      | <b>Total</b>          | <b>25,856</b>       | <b>431,317</b>      |

### 1.2.12: Databank on Pension Matters

#### i. Enrolment of Federal Government Employees due for Retirement in 2021

During the year under review, the Commission developed and deployed an online application which automated the process of the Annual Pre-Retirement Verification and Enrolment Exercise for retirees/ prospective retirees of Treasury-funded Federal Government MDAs and subsequently commenced the maiden online verification and enrolment exercise of eligible retirees and prospective retirees. The exercise was carried out to collate and validate records of retirees of FGN MDAs for the purpose of budget preparation and computation of Accrued Pension rights in accordance with the provisions of the PRA Act 2014.

As at 31 December 2021, a total of **357** MDAs had uploaded the data of **10,584** retirees and prospective retirees on the Online Enrolment Application while **6,937** retirees/prospective retirees who opted for the self-assisted option had successfully registered on the application. Out of this number, **6,266** retirees were verified and enrolled by the respective PFAs.

**ii. Update on the Funding of the Retirement Benefits Bond Redemption Fund (RBBRF) Account**

During the year under review, the Federal Government released a total of ₦100.29 billion into the RBBRF account for the payment of Accrued Rights to retirees of Treasury Funded MDAs. This brought the total amount released By the Federal Government into the RBBRF Account from inception to 31 December 2021, to ₦980.18 billion.

**iii. Update on the Payment of Accrued Rights to Retirees and Deceased Employees of Treasury-Funded MDAs of the Federal Government**

The Commission processed and approved the payment of ₦62.33 billion to 13,045 retirees and deceased employees as Accrued Rights, during the year under review. Records showed that a total of 203,200 retirees and deceased employees were paid a total of ₦946.91 billion as Accrued Rights from inception to 31 December 2021

**iv. Resolution of Multiple PINs and Recoveries on Excess Remittances**

The Commission resolved issues related to multiple registration of RSAs by some employees of Treasury Funds MDAs of the Federal Government. Consequently, a total of ₦7.06 billion remitted to 6,706 invalid RSAs was recovered and credited into Contributory Pension Account during the year under review.

**v. Update on the RSA Transfer System (RTS)**

During the year under review, January to December 2021, the total number of RSA holders who transferred their RSAs from one PFA to another, stood at 48,543. The total value of the pension assets of the 48,543 RSAs was N171.72. A review of the RSA Transfer Quarters indicated that TQ3: 2021 recorded the highest movement of RSAs with 12,872, which accounted for N45.56 billion, during the period under review. A quarterly summary of RSAs transferred by PFAs is outlined in the table below:

**1.2.13 Stakeholder Engagements and Public Enlightenment**

In furtherance of the Commission's strategic objective of educating our stakeholders on the tenets of the CPS, several engagement meetings were held with various stakeholders while workshops, seminars and conferences were also organised to facilitate dissemination of adequate information to the general public. Notable amongst these include;

- i. Engagement of the Bauchi State Government to provide technical support and guidance towards full implementation of the CPS in the State. This culminated in

the inauguration of a Steering Committee to oversee the procedures of implementing the CPS in the State.

- ii. An interactive session with the newly constituted Bayelsa State Technical Committee on implementation of the CPS. The meeting provided guidance to the Technical Committee on a roadmap towards the implementation of the CPS and proffered workable solutions to issues bothering on funding the Accrued Rights liabilities of the State.
- iii. A tripartite meeting with the Kaduna State Pension Bureau and some State-owned enterprises in Kaduna State. The meeting addressed the issues of outstanding arrears of pension contributions, accrued rights of employees and demand notices served on the companies by the Commission's appointed Recovery Agents (RA).
- iv. A two-day capacity building programme on the implementation of the CPS for the Executive Management of the Kogi State Pension Commission. The programme exposed the participants to relevant knowledge on the administration of the CPS as well as latest developments in the Nigerian Pension Industry.
- v. Meeting with officials of the Jigawa State and Local Governments CPS Board on to discuss issues affecting the remittances of pension contributions in the State.
- vi. Engaged the leadership of the Catholic Church and Supreme Council for Islamic Affairs, to secure the buy-in of the Micro Pension Plan by their followers. The meetings discussed ways of possible collaboration with the two Faith-Based organizations in driving the MPP implementation.
- vii. Hosted the Executive Management of Independent Petroleum Marketers Association of Nigeria on a courtesy visit to the Commission. The visit explored ways to advance the implementation of the MPP amongst the members of the Association and their employees.
- viii. Participated in the Lagos and Kwara Trade Fair as part of opportunity to sensitize members of the public on the workings of the MPP as well as respond to enquiries on the CPS.
- ix. Held sensitization workshop on MPP for the leadership of Ladipo Central Executive Auto Dealers Association (LACEC), Alaba International Amalgamated Traders Association and Association of Progressive Traders of Nigeria in Lagos. The workshop exposed the participants to the workings, benefits and safety of the MPP.

## PART TWO

### THE PENSION INDUSTRY

#### 2.1 Membership of the Pension Schemes

The total membership of the pension Schemes increased by 3.39 % from 9,271,665 recorded in 2020 to 9,586,291 as at 31 December 2021. Membership of the Contributory Pension Scheme dominated the total pension Scheme memberships at 9,529,127 representing 99.40%, while the AES and the CPFAs accounted for the balance of 0.60% made up of 40,951 and 16,213 members, respectively. A breakdown of the total membership of Pension Schemes are shown in Table 7 below

Table 7: Membership of Pension Schemes

| <b>Scheme Type</b> | <b>No. of Members as at 31 Dec.2020</b> | <b>No. of Members as at 31 Dec.2021</b> | <b>Actual Growth</b> | <b>%</b>    |
|--------------------|-----------------------------------------|-----------------------------------------|----------------------|-------------|
| CPS                | 9,215,788                               | 9,529,127                               | 313,339              | 3.40        |
| CPFA               | 14,926                                  | 16,213                                  | 1,287                | 8.62        |
| AES                | 40,951                                  | 40,951                                  | 0                    | 0.00        |
| <b>Total</b>       | <b>9,271,665</b>                        | <b>9,586,291</b>                        | <b>314,626</b>       | <b>3.39</b> |

##### 2.1.1 Membership of the Contributory Pension Scheme

The CPS registrations increased from 9,215,696 in 2020 to 9,529,127 as at 31 December 2021, representing a growth rate of 3.40 % or 313,431 in absolute terms. The growth was attributed to a number of factors, which included the increase in the level of compliance by the public and private sectors as a result of the various steps taken by the Commission to improve compliance and coverage, enhanced market penetration and strategies deployed by the PFAs. In addition, there was the growing acceptance of the Micro Pension Plan by the informal sector, which recorded a total membership count of 73,691 as at 31 December 2020. It is expected that the RSA registration will continue to grow to improve Scheme membership with improved drive in the implementation of the Micro Pension Plan in 2022. A breakdown of the CPS registration by PFAs is shown in Table 8 below

Table 8: RSA registration count by PFA from inception to 31 December 2021

| SN | PFA                                     | Total RSA Registrations | %             |
|----|-----------------------------------------|-------------------------|---------------|
| 1  | AllCO Pension Managers Limited          | 255,445                 | 2.68          |
| 2  | Apt Pension Funds Managers Limited      | 158,999                 | 1.67          |
| 3  | ARM Pension Managers (PFA) Limited      | 852,416                 | 8.95          |
| 4  | Crusader Sterling Pensions Limited      | 359,212                 | 3.77          |
| 5  | FCMB Pensions Limited                   | 456,959                 | 4.80          |
| 6  | Fidelity Pension Managers Limited       | 317,148                 | 3.33          |
| 7  | First Guarantee Pension Limited         | 278,321                 | 2.92          |
| 8  | IEI-Anchor Pension Managers Limited     | 151,773                 | 1.59          |
| 9  | Investment-One Pension Managers Limited | 84,838                  | 0.89          |
| 10 | Leadway Pensure PFA Limited             | 660,825                 | 6.93          |
| 11 | Nigerian University Pension Mgt Co.     | 25,096                  | 0.26          |
| 12 | NLPC Pension Fund Administrators        | 338,716                 | 3.55          |
| 13 | NPF Pension Fund Managers               | 302,244                 | 3.17          |
| 14 | Oak Pensions Limited                    | 219,533                 | 2.30          |
| 15 | Pensions Alliance Limited               | 583,412                 | 6.12          |
| 16 | Premium Pension Limited                 | 751,713                 | 7.89          |
| 17 | Radix Pension Managers Limited          | 38,445                  | 0.40          |
| 18 | Sigma Pensions Limited                  | 747,864                 | 7.85          |
| 19 | Stanbic IBTC Pension Managers Limited   | 1,924,611               | 20.20         |
| 20 | Tangerine Pension Limited               | 93,429                  | 0.98          |
| 21 | Trustfund Pensions Limited              | 777,441                 | 8.16          |
| 22 | Veritas Glanvills Pensions Limited      | 150,687                 | 1.58          |
|    | <b>Total</b>                            | <b>9,529,127</b>        | <b>100.00</b> |

Analysis of the distribution of the RSAs across PFAs revealed that the top five PFAs maintained the largest market share of about 53.1% of the 9.5 million RSAs as at 31 December 2021. In terms of sectorial distribution of the RSAs registration, the Private Sector maintained 58%, Public Sector (i.e. Federal and State MDAs) had about 42% while the Micro Pension Plan (MPP) accounted for 0.8% of the total number of RSAs registered. A breakdown of the distribution is analyzed below;

Table 9: Analysis of Registration Count by PFA from Inception to 31 Dec.2021

| Sector         | RSA Count From<br>Inception to 31 December 2021 |           |        |           |           |
|----------------|-------------------------------------------------|-----------|--------|-----------|-----------|
|                | Public Sector                                   |           | MPP    | Private   | Total     |
|                | Federal                                         | State     |        |           |           |
| Distribution   | 2,236,368                                       | 1,729,592 | 73,994 | 5,489,173 | 9,529,127 |
| % Distribution | 23.5                                            | 18.2      | 0.78   | 57.60     | 100.00    |

In terms of ranking by market share, the top 3 PFAs accounted for 37.30% of the total RSA registrations while the top 5 and top 10 PFAs accounted for 53.04% and 78.21% of the total RSA registrations, respectively. Furthermore, the bottom 3 PFAs accounted for 1.56% of total RSA registrations while the bottom 5 and 10 PFAs accounted for 4.12% and 15.29%, respectively as indicated in Table 10 below.

Table 10: RSA Registrations by Rank of PFAs

| <b>Ranking</b>          | <b>Registered</b> | <b>%</b> |
|-------------------------|-------------------|----------|
| Top 3                   | 3,554,468         | 37.30    |
| Top 5                   | 5,054,045         | 53.04    |
| Top 10                  | 7,453,169         | 78.21    |
| Bottom 3                | 148,379           | 1.56     |
| Bottom 5                | 392,495           | 4.12     |
| Bottom 10               | 1,456,566         | 15.29    |
| <b>Total Registered</b> | <b>9,529,127</b>  |          |

## Gender and Age Distribution

Analysis of new registrations on the CPS for the quarter showed that 73% were below the age of 40 years. This points to the increasing sustainability of the CPS, as the younger generation are actively being enlisted into the scheme. Regarding gender distribution, 65% of those that registered during the quarter were male, while 35% were female. The table and chart below, provide additional details on the age and gender distribution of RSA registrations.

Table 11: Age and Gender Registration Count as at 31 December 2021

| <b>Age</b>         | <b>Female</b>    | <b>Male</b>      | <b>Total</b>     | <b>(%)</b>   |
|--------------------|------------------|------------------|------------------|--------------|
| Less than 30 years | 1,117,774        | 2,335,364        | 3,453,138        | 36.2         |
| 30 - 39 years      | 1,054,077        | 2,446,202        | 3,500,279        | 36.7         |
| 40 - 49 years      | 513,230          | 1,263,269        | 1,776,499        | 18.6         |
| 50 - 59 years      | 164,456          | 542,739          | 707,195          | 7.4          |
| 60 - 65 years      | 7,711            | 57,019           | 64,730           | 0.7          |
| Above 65 years     | 3,529            | 23,757           | 27,286           | 0.3          |
| <b>Total</b>       | <b>2,860,777</b> | <b>6,668,350</b> | <b>9,529,127</b> | <b>100.0</b> |
| Percentage (%)     | <b>30.00</b>     | <b>70.00</b>     | <b>100.00</b>    |              |

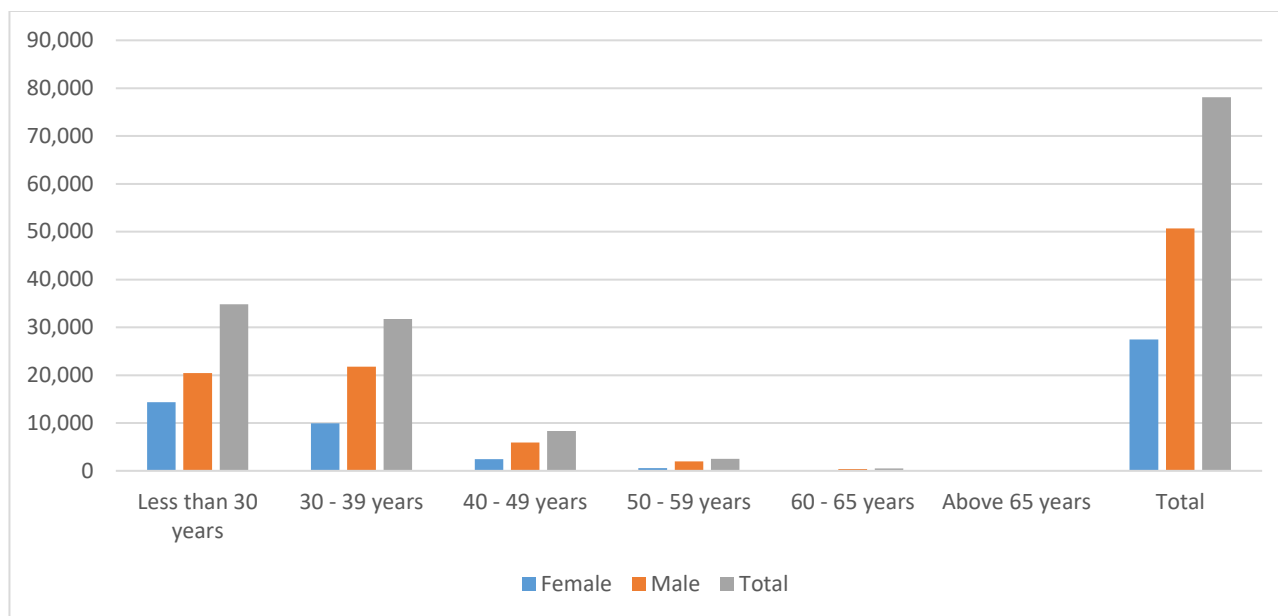


Figure 2: Age and Gender Registration Count as at 31 December 2021

### 2.1.2 Memberships of CPFA and AES

During the year, the membership of the CPFAs increased by 8.62 % from 14,926 recorded in 2020 to 16,213 as at 31 December 2021. The increase was attributed to the number of employees who were re-absorbed as employees and subsequently retired from the employment of the Scheme sponsors. The CPFAs' membership is however, projected to decline in the coming years due to the closure of the Schemes to new members as stipulated in Sections 50(1) (h) and 51 of the PRA 2014. On the other hand, the membership of AES remained at 40,951 over the period.

## 2.2 Pension Contributions

The total pension contributions remitted into the RSAs of employees in both the Public and Private sectors in 2021 decreased slightly from ₦908.09 billion recorded in 2020 to ₦880.66 billion as at 31 December 2021. This indicated a 3.02 % decline over the reporting period. Analysis of aggregate pension contributions by the Public and Private Sector employers are as follows

### 2.2.1 Public Sector Pension Contributions

The Public Sector employers (i.e. FGN, States and Local Governments) contributed a total of ₦492.43 billion during the year under review. This represented a -8.29% decline (year-on-year) when compared with the ₦536.97 billion recorded in 2020. Cumulatively, the pension contributions credited into the RSAs of Public Sector employees from inception to 31 December 2020 grew from ₦3,432.94 billion as at December 2020 to ₦3,925.37 billion as at 31 December, 2021.

### **2.2.2 Private Sector Pension Contributions**

On the other hand, the pension contribution credited into the RSAs of private sector employees increased slightly by 4.61% from ~~N~~371.12 billion in 2020 to ~~N~~388.23 billion as at 31 December 2021. This indicated that the cumulative pension contribution received from the private sector from inception to 31 December 2021 rose from ~~N~~3,270.80 billion recorded in 2020 to ~~N~~3,657.03 billion.

Details of Pension Contributions for both Public and Private Sector employees are broken down on a year-on-year basis in the table below:

Table 12: Pension Contributions for Public and Private Sector Employees

| Year/Qrtly   | Public Sector       |               | Private Sector      |               | Total               |               |
|--------------|---------------------|---------------|---------------------|---------------|---------------------|---------------|
|              | Amount (N' billion) | % of Total    | Amount (N' billion) | % of Total    | Amount (N' billion) | % of Total    |
| 2004         | 15.60               | 0.40          | 0                   | 0.00          | 15.60               | 0.21          |
| 2005         | 34.68               | 0.88          | 0                   | 0.00          | 34.68               | 0.46          |
| 2006         | 37.38               | 0.95          | 23.03               | 0.63          | 60.41               | 0.80          |
| 2007         | 80.63               | 2.05          | 68.34               | 1.87          | 148.97              | 1.96          |
| 2008         | 99.28               | 2.53          | 80.81               | 2.21          | 180.09              | 2.37          |
| 2009         | 137.10              | 3.49          | 91.21               | 2.49          | 228.31              | 3.01          |
| 2010         | 162.46              | 4.14          | 103.03              | 2.82          | 265.49              | 3.50          |
| 2011         | 228.92              | 5.83          | 119.53              | 3.27          | 348.45              | 4.59          |
| 2012         | 302.24              | 7.70          | 159.52              | 4.36          | 461.76              | 6.09          |
| 2013         | 278.50              | 7.09          | 225.42              | 6.16          | 503.92              | 6.64          |
| 2014         | 237.76              | 6.06          | 343.97              | 9.40          | 581.73              | 7.67          |
| 2015         | 200.05              | 5.10          | 358.91              | 9.81          | 558.96              | 7.37          |
| 2016         | 225.86              | 5.75          | 262.33              | 7.17          | 488.20              | 6.44          |
| 2017         | 257.11              | 6.55          | 353.73              | 9.67          | 610.84              | 8.05          |
| 2018         | 266.84              | 6.80          | 340.72              | 9.31          | 607.55              | 8.01          |
| 2019         | 331.56              | 8.45          | 369.13              | 10.09         | 700.69              | 9.24          |
| 2020         | 536.97              | 13.68         | 371.12              | 10.14         | 908.09              | 11.97         |
| 2021         | 492.43              | 12.54         | 388.23              | 10.61         | 880.66              | 11.61         |
| <b>Total</b> | <b>3,925.37</b>     | <b>100.00</b> | <b>3,659.03</b>     | <b>100.00</b> | <b>7,584.40</b>     | <b>100.00</b> |

## 2.3 Pension Industry Portfolio Analysis

The aggregate industry Net Assets Value (NAV) was ₦13.42 trillion as at 31 December 2021. The breakdown of total Pension Fund Assets by Fund Type and asset allocation is presented in the table below:

Table 13: Breakdown of Pension Fund Portfolio as at 31 December 2021

| ASSET CLASS                                     | Fund I                 | Fund II                | Fund III               | Fund IV                | Fund V                 | Fund VI                | CPFA                   | AES                    | TOTAL                  |               |
|-------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|---------------|
|                                                 | Mkt Value<br>₦ Billion | Mkt Value<br>₦ Billion | Mkt Value<br>₦ Billion | Mkt Value<br>₦ Billion | Mkt Value<br>₦ Billion | Mkt Value<br>₦ Billion | Mkt Value<br>₦ Billion | Mkt Value<br>₦ Billion | Mkt Value<br>₦ Billion | Weight (%)    |
| Quoted Ordinary Shares                          | 5.66                   | 630.81                 | 130.33                 | 10.51                  | 0.00                   | 0.44                   | 156.56                 | 105.46                 | 1,039.77               | 7.75          |
| Federal Govt. Securities                        | 21.79                  | 3,824.66               | 2,648.24               | 743.65                 | 0.06                   | 8.03                   | 846.66                 | 740.80                 | 8,833.89               | 65.80         |
| State Govt. Bonds                               | 0.73                   | 79.06                  | 49.53                  | 14.61                  | -                      | -                      | 18.72                  | 16.16                  | 178.81                 | 1.33          |
| Corporate Debt Securities                       | 6.38                   | 340.83                 | 220.94                 | 72.60                  | 0.00                   | 0.74                   | 206.66                 | 82.59                  | 930.74                 | 6.93          |
| Supranational Bonds                             | -                      |                        |                        | -                      | -                      | -                      | -                      |                        | -                      | 0.00          |
| Money market Instruments                        | 11.23                  | 887.88                 | 480.19                 | 206.23                 | 0.13                   | 5.94                   | 128.20                 | 252.90                 | 1,972.70               | 14.69         |
| Mutual Funds                                    | 0.43                   | 10.46                  | 2.09                   | 0.76                   | -                      | 0.17                   | 14.23                  | 84.04                  | 112.18                 | 0.84          |
| Private Equity Funds                            | -                      | 25.64                  | -                      |                        | -                      | 0.03                   | 14.79                  | 0.05                   | 40.52                  | 0.30          |
| Infrastructure Funds                            | 1.02                   | 61.13                  | -                      |                        | -                      |                        | 8.46                   | 4.45                   | 75.06                  | 0.56          |
| Real Estate                                     |                        |                        |                        |                        |                        |                        | 125.68                 | 30.87                  | 156.55                 | 1.17          |
| Cash & Other Assets                             | 1.18                   | 17.88                  | 9.55                   | 18.35                  | 0.03                   | 0.78                   | 2.79                   | 34.03                  | 84.59                  | 0.63          |
| <b>Total Asset Value as at 31 December 2020</b> | <b>48.41</b>           | <b>5,878.36</b>        | <b>3,540.87</b>        | <b>1,066.71</b>        | <b>0.22</b>            | <b>16.13</b>           | <b>1,522.75</b>        | <b>1,351.36</b>        | <b>13,424.82</b>       | <b>100.00</b> |

Pension fund asset allocation to Federal Government (FGN) securities declined to 65.80% as at 31 December 2021 from 66.64% and 71.90% as at 31 December 2020 and 2019 respectively. Allocations to Money Market instruments, Ordinary shares and Corporate Debt Securities accounted for 14.69%, 7.75% and 6.93% of pension industry allocations, respectively.

The value of pension fund assets increased by 9.02% from ₦12.31 trillion as at 31 December 2020 to ₦13.42 trillion as at 31 December 2021. Major sources of growth were from Contributions, income earned on fixed and variable income securities as well as price appreciation of equities and bonds reported at market value.

The table below provides a comparative summary of pension assets between 2020 and 2021.

Table 14: Comparative Summary of Pension Assets 2020/2021

| ASSET CLASS                                | 2020                   |               | 2021                   |               | Mkt Value<br>₦ Billion | Growth/<br>Diminution<br>(%) |
|--------------------------------------------|------------------------|---------------|------------------------|---------------|------------------------|------------------------------|
|                                            | Mkt Value<br>₦ Billion | Weight (%)    | Mkt Value<br>₦ Billion | Weight<br>(%) |                        |                              |
| Quoted Ordinary Shares                     | 951.26                 | 7.73          | 1,039.77               | 7.75          | 88.51                  | 9.30                         |
| Federal Govt. Securities                   | 8,200.75               | 66.64         | 8,833.89               | 65.80         | 633.14                 | 7.72                         |
| State Govt. Bonds                          | 136.59                 | 1.11          | 178.81                 | 1.33          | 42.22                  | 30.91                        |
| Corporate Debt Securities                  | 754.84                 | 6.13          | 930.74                 | 6.93          | 175.90                 | 23.30                        |
| Supranational Bonds                        | 1.38                   | 0.01          | -                      | 0.00          | (1.38)                 | -100.00                      |
| Money market Instruments                   | 1,719.42               | 13.97         | 1,972.70               | 14.69         | 253.28                 | 14.73                        |
| Mutual Funds/REITs                         | 88.00                  | 0.72          | 112.18                 | 0.84          | 24.18                  | 27.48                        |
| Private Equity Funds                       | 35.48                  | 0.29          | 40.52                  | 0.30          | 5.03                   | 14.19                        |
| Infrastructure Funds                       | 54.04                  | 0.44          | 75.06                  | 0.56          | 21.03                  | 38.92                        |
| Real Estate                                | 239.42                 | 1.95          | 156.55                 | 1.17          | (82.87)                | -34.61                       |
| Cash & Other Assets                        | 124.98                 | 1.02          | 84.59                  | 0.63          | (40.39)                | -32.32                       |
| <b>Total Asset Value as at 31 December</b> | <b>12,306.15</b>       | <b>100.00</b> | <b>13,424.82</b>       | <b>100.00</b> | <b>1,118.66</b>        | <b>9.09</b>                  |

### 2.3.1 Review of RSA Funds

#### 2.3.1.1 RSA 'Active' Funds

#### 2.3.1.2 Summary of RSA Funds I, II & III as at 31 December 2021

The Net Assets Value of the RSA Active Funds amounted to ₦9.42 trillion as at 31 December 2021. This represented a net growth of 12.95%, when compared to ₦8.34 trillion reported as at 31 December 2020. The table below indicated that 68.46% of the total RSA Active portfolio was in FGN Securities. Other major investments were in Money Market Instruments (14.64%), Equities (8.14%), and Corporate Debt Securities (6.03%). Allocation to other asset classes were State Government Securities (1.37%), Infrastructure Funds (0.66%), Private Equity Funds (0.27%) and Mutual Funds/REITs (0.14%).

Table 15: Portfolio of RSA Funds I, II, III as at 31 December 2021

| ASSET CLASS                                   | FUND I          |                     |               | FUND II         |                     |               | FUND III        |                     |               | TOTAL               |               |
|-----------------------------------------------|-----------------|---------------------|---------------|-----------------|---------------------|---------------|-----------------|---------------------|---------------|---------------------|---------------|
|                                               | Portfolio Limit | Mkt Value ₦ Billion | Weight (%)    | Portfolio Limit | Mkt Value ₦ Billion | Weight (%)    | Portfolio Limit | Mkt Value ₦ Billion | Weight (%)    | Mkt Value ₦ Billion | Weight (%)    |
| Quoted Ordinary Shares                        | 0.30            | 5.66                | 11.69         | 0.25            | 630.81              | 10.81         | 0.10            | 130.33              | 3.68          | 766.80              | 8.14          |
| <b>Federal Govt. Securities</b>               | <b>0.60</b>     | <b>21.79</b>        | <b>45.00</b>  | <b>0.70</b>     | <b>3,781.60</b>     | <b>64.81</b>  | <b>0.80</b>     | <b>2,648.24</b>     | <b>74.79</b>  | <b>6,451.63</b>     | <b>68.46</b>  |
| FGN Bonds                                     |                 | 17.16               | 35.45         |                 | 3,640.57            | 62.39         |                 | 2,511.17            | 70.92         | 6,168.90            | 65.46         |
| Treasury Bills                                |                 | 3.89                | 8.04          |                 | 23.38               | 0.40          |                 | 20.63               | 0.58          | 47.90               | 0.51          |
| Agency Bonds                                  |                 | 0.01                | 0.02          |                 | 24.99               | 0.43          |                 | 66.90               | 1.89          | 91.89               | 0.98          |
| Sukuk                                         |                 | 0.72                | 1.49          |                 | 86.02               | 1.47          |                 | 42.30               | 1.19          | 129.04              | 1.37          |
| Green Bonds                                   |                 | 0.00                | 0.00          |                 | 6.65                | 0.11          |                 | 7.24                | 0.20          | 13.89               | 0.15          |
| State Govt. Bonds                             | 0.10            | 0.73                | 1.51          | 0.15            | 79.06               | 1.35          | 0.20            | 49.53               | 1.40          | 129.33              | 1.37          |
| <b>Corporate Debt Securities</b>              | <b>0.35</b>     | <b>6.38</b>         | <b>13.18</b>  | <b>0.40</b>     | <b>340.83</b>       | <b>5.84</b>   | <b>0.45</b>     | <b>220.94</b>       | <b>6.24</b>   | <b>568.15</b>       | <b>6.03</b>   |
| Corporate Bonds                               |                 | 5.94                | 12.28         |                 | 318.29              | 5.45          |                 | 210.62              | 5.95          | 534.86              | 5.68          |
| Corporate Infrastructure Bonds                |                 | 0.15                | 0.31          |                 | 15.37               | 0.26          |                 | 7.24                | 0.20          | 22.76               | 0.24          |
| Corporate Green Bonds                         |                 | 0.29                | 0.59          |                 | 7.17                | 0.12          |                 | 3.08                | 0.09          | 10.54               | 0.11          |
| <b>Money market Instruments</b>               | <b>0.30</b>     | <b>11.23</b>        | <b>23.19</b>  | <b>0.30</b>     | <b>887.88</b>       | <b>15.22</b>  | <b>0.35</b>     | <b>480.19</b>       | <b>13.56</b>  | <b>1,379.30</b>     | <b>14.64</b>  |
| Bank Placements                               |                 | 10.10               | 20.87         |                 | 861.27              | 14.76         |                 | 459.08              | 12.97         | 1,330.45            | 14.12         |
| Commercial Papers                             |                 | 1.12                | 2.32          |                 | 26.62               | 0.46          |                 | 21.11               | 0.60          | 48.85               | 0.52          |
| <b>Mutal Funds/REITs</b>                      | <b>0.25</b>     | <b>0.43</b>         | <b>0.88</b>   | <b>0.20</b>     | <b>10.46</b>        | <b>0.18</b>   | <b>0.10</b>     | <b>2.09</b>         | <b>0.06</b>   | <b>12.96</b>        | <b>0.14</b>   |
| Open/Close End Funds                          |                 | 0.04                | 0.09          |                 | 2.07                | 0.04          |                 | 0.41                | 0.01          | 2.52                | 0.03          |
| REITs                                         |                 | 0.38                | 0.79          |                 | 8.39                | 0.14          |                 | 1.68                | 0.05          | 10.45               | 0.11          |
| Private Equity Funds                          | 0.10            | -                   | 0.00          | 0.02            | 25.64               | 0.44          | 0.00            | -                   | 0.00          | 25.65               | 0.27          |
| Infrastructure Funds                          | 0.10            | 1.02                | 2.10          | 0.05            | 61.13               | 1.05          | 0.00            | -                   | 0.00          | 62.15               | 0.66          |
| Cash & Other Assets                           |                 | 1.18                | 2.44          |                 | 17.88               | 0.31          |                 | 9.55                | 0.27          | 28.61               | 0.30          |
| <b>Net Asset Value as at 31 December 2021</b> |                 | <b>48.41</b>        | <b>100.00</b> |                 | <b>5,835.30</b>     | <b>100.00</b> |                 | <b>3,540.87</b>     | <b>100.00</b> | <b>9,424.58</b>     | <b>100.00</b> |
| <b>Net Asset Value as at 31 December 2020</b> |                 | <b>35.13</b>        |               |                 | <b>5,186.44</b>     |               |                 | <b>3,120.49</b>     |               | <b>8,342.06</b>     |               |
| <b>Growth</b>                                 |                 | <b>13.28</b>        |               |                 | <b>648.86</b>       |               |                 | <b>420.38</b>       |               | <b>1,082.52</b>     | <b>12.98</b>  |

### 2.3.1.3 Sources of Portfolio Growth/Diminution

The RSA Active funds recorded a net portfolio growth of ₦1.08 trillion in the year 2021. Inflows of contributions into the RSA Active funds amounted to ₦1.24 trillion while total investment income was ₦880.45 billion. The main sources of outflows were benefit payouts (₦830.644 billion) and Asset Based fees (₦147.33 billion).

Detailed sources of growth/diminution in the RSA Active Fund for the year ended 31 December, 2021 are presented in the table below:

Table 16: Sources of Growth - RSA Active Funds as at 31 December 2021

| S/N | ASSET CLASSES                                                                      | FUND I              | FUND II             | FUND III            | Total               |
|-----|------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|
|     |                                                                                    | Amount<br>₦ Billion | Amount<br>₦ Billion | Amount<br>₦ Billion | Amount ₦<br>Billion |
| 1   | Contributions                                                                      | 16.42               | 651.38              | 575.75              | 1,243.55            |
| 2   | Investment Income                                                                  | <b>4.61</b>         | <b>539.33</b>       | <b>336.51</b>       | <b>880.45</b>       |
|     | Interests/Coupons                                                                  | 3.83                | 507.25              | 328.99              | 840.07              |
|     | Dividends                                                                          | 0.55                | 48.46               | 10.16               | 59.16               |
|     | Net Realized Gains/<br>(Losses) on Equities and<br>Bonds                           | 0.23                | (16.38)             | (2.64)              | (18.78)             |
| 3   | Net Unrealized Gains/ (Losses)<br>on Quoted Equities and Equity<br>Funds and Bonds | (0.10)              | (36.16)             | (27.26)             | (63.52)             |
| 4   | Benefits Paid/ Inter-Fund<br>Transfers                                             | (6.71)              | (411.54)            | (412.39)            | (830.64)            |
| 5   | Asset Based Fees (VAT<br>Inclusive)/Audit/Transaction Fees                         | (0.94)              | (94.15)             | (52.24)             | (147.33)            |
| 6   | Unremitted Contribution at<br>Central Bank                                         |                     |                     |                     |                     |
|     | <b>Net Growth</b>                                                                  | <b>13.28</b>        | <b>648.86</b>       | <b>420.38</b>       | <b>1,082.51</b>     |

#### i. Contributions Received:

Total contributions received by the respective RSA Active funds for the year 2021 amounted to ₦1.24 trillion compared to ₦1.04 trillion in 2020. The increase was due to economic recovery associated with the relaxation of the Covid-19 pandemic restrictions.

Contributions received in Fund I were the lowest at ₦16.42 billion and represented 1.32% of Inflow of Funds into the RSA Active Funds, which was an indication that the Fund was yet to attract significant number of young contributors/workers relative to Fund II.

Funds II and III accounted for 52.38% and 46.30% of Total Contributions in the RSA Active Funds respectively.

#### ii. Interest/Coupons and Dividends:

Interest/Coupon income for the year 2021 increased by 8.63% to ₦840.45 billion from ₦816.95 billion reported in 2020. This was attributed to increase in yields and absolute value of investments in fixed income securities during the period. The significant sources of interest income for the year 2021 were FGN Securities (74.13%) and Money Market Instruments (14.29%). Dividends income for the year 2021 increased by 36.79% to ₦59.16 billion from ₦43.25 billion reported in 2020.

### **iii. Net Realized Gains/ (Losses) on Equities and Bonds:**

Net realized Losses on the RSA Active Funds of ~~₦~~18.78 billion represented the net effect from sale of Bonds and Equities. Fund II accounted for a significant proportion (87.22%) of the net realized losses on RSA Active Funds during the period.

### **iv. Net Unrealized Gains/ (Losses) on Equities, Equity Funds and Bonds:**

The Net Unrealized Losses on Equities and Bonds for the reporting period amounted to ~~₦~~63.52 billion. The unrealized losses were majorly attributed to increase yield that lead to the reduction in the market prices of bonds reported at market value amounting to ~~₦~~104.69 billion for the period. The depreciation in bond prices was consistent with the general bond market performance as the S&P/FMDQ Nigeria Sovereign Bonds Index depreciated by 14.99% in 2021.

However, the Funds recorded unrealized gains of ~~₦~~39.32 billion on its equity portfolio as the NSE Pension Index appreciated by 16.96% for the period.

### **v. Payments due to Temporary Unemployment and Transfer to Retiree Fund:**

Total benefit payout comprising payments in respect of temporary loss of job benefits and transfers between Funds amounted to ~~₦~~830.64 billion compared to ~~₦~~898.54 billion in 2020. The lower amount in benefit payment was attributed to the easing effects of the economic recession associated with the Covid-19 pandemic which impacted employment in 2020 relative to 2021.

### **vi. Asset Based Fees:**

The total Asset Based Fees of ~~₦~~147.33 billion was earned by PFAs, PFCs and the Commission on RSA Active funds for the year 2021. This represented 1.56% of the total pension assets of RSA Funds I-III as at 31 December 2021.

#### **2.3.1.4 Review of Asset Classes**

The RSA active Fund investments were in the approved asset classes, as contained in the Regulation on Investment of Pension Fund. These include: Quoted Ordinary Shares, FGN Securities (Bonds and Treasury Bills), State Government Bonds, Corporate Debt Securities (Corporate Bonds and Infrastructure Bonds), Money Market Instruments (Bank Placements and Commercial Papers), Supranational Bonds, Open/Close Ended Funds (including Real Estate Investment Trusts), Private Equity Funds and Infrastructure Funds.

#### **2.3.1.5 Domestic Quoted Ordinary Shares:**

The total value of equity investments in the RSA Active Funds amounted to ~~₦~~766.80 billion as at 31 December 2021. Figure I below revealed the distribution of equity

investments of the RSA Active Funds across various sectors exhibited fairly similar patterns.

The financial services sector (Banking & Insurance) had the highest average actual assets allocation of 41.48% of the total value of equity investments. Other major investments were in Consumer Goods (16.22%); Industrial Goods (15.22%); and Telecommunication (16.84%). These subsectors accounted for about 90% of total equity investments across the respective funds.

Investments in other subsectors included: Oil & Gas (4.54%) and Agriculture (4.24%), while the combined investments in Construction, Services, Health Care and Conglomerates subsectors accounted for 1.45%.

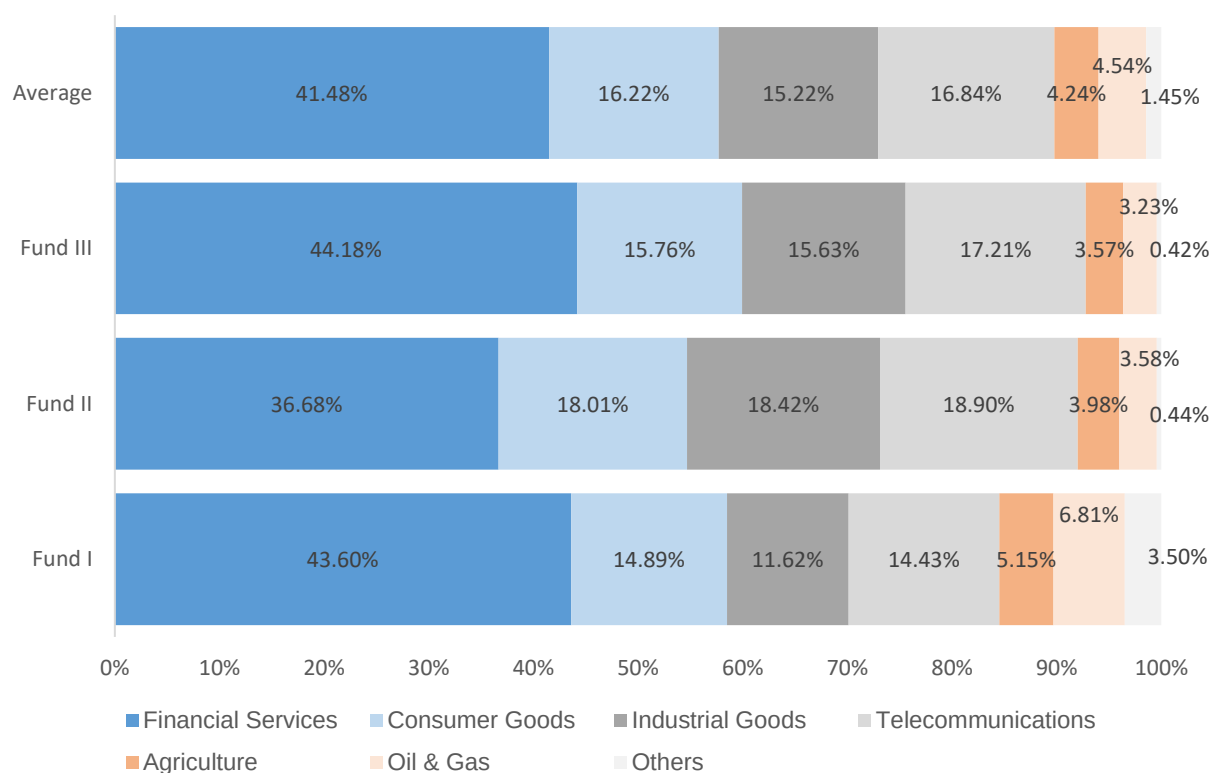


Figure 3: RSA Active Funds Investment in Equities based on sectoral classification of the NSE

### 2.3.1.6 Federal Government of Nigeria Bonds

Total investments in FGN Securities was ~~N~~6.45 trillion as 31 December 2021 and represented 68.46% of the portfolio value of the RSA Active Funds. Table below shows that 95.62% of the Funds investment in FGN securities were in FGN bonds.

Table 17: Breakdown of Investments in FGN Securities as at 31 December 2021

| S/N | SECURITIES       | FUND I<br>₦ Million | FUND II<br>₦ Million | FUND III<br>₦ Million | TOTAL<br>₦ Million  | WEIGHT<br>(%) |
|-----|------------------|---------------------|----------------------|-----------------------|---------------------|---------------|
| 1   | FGN Bonds        | 17,161.19           | 3,640,571.05         | 2,511,167.97          | <b>6,168,900.21</b> | <b>95.62</b>  |
| 2   | FGN Agency Bonds | 7.75                | 24,987.38            | 66,897.30             | <b>91,892.43</b>    | <b>1.42</b>   |
| 3   | FGN Sukuk        | 723.01              | 86,015.72            | 42,300.35             | <b>129,039.08</b>   | <b>2.00</b>   |
| 4   | FGN Green Bond   | 1.04                | 6,647.06             | 7,244.07              | <b>13,892.17</b>    | <b>0.22</b>   |
| 5   | Treasury Bills   | 3,892.08            | 23,381.33            | 20,630.88             | <b>47,904.29</b>    | <b>0.74</b>   |
|     | <b>TOTAL</b>     | <b>21,785.08</b>    | <b>3,781,602.55</b>  | <b>2,648,240.57</b>   | <b>6,451,628.19</b> | <b>100.00</b> |

A review of the term to maturity of the Bond Portfolios for the RSA Active Funds indicated that funds were invested in line with the respective demographic profile of the funds. Generally, Funds with expected longer investment horizon had higher allocation of FGN bond investments with term to maturity above 10 years. Table 17 below reveals that bonds with term to maturity above 10 years accounted for 79.79%, 58.10% and 48.03% of investments in FGN bonds in Funds I, Funds II and Funds III respectively. Furthermore, Fund III which is a “pre-retirement” Fund had the highest investments of 22.29% in FGN bonds with term to maturity of 5years and below:

Table 18: Term to Maturity Profile of FGN Securities in the RSA Active Fund as at 31 December 2021

| TERM TO MATURITY | FUND I<br>₦ Million | WEIGHT<br>(%) | FUND II<br>₦ Million | WEIGHT<br>(%) | FUND III<br>₦ Million | WEIGHT<br>(%) | TOTAL<br>₦ Million  | WEIGHT<br>(%) |
|------------------|---------------------|---------------|----------------------|---------------|-----------------------|---------------|---------------------|---------------|
| Below 3years     | 5,336.29            | 24.50         | 415,283.05           | 10.98         | 423,654.98            | 16.00         | 844,274.31          | 13.09         |
| 3years – 5years  | 247.68              | 1.14          | 386,992.97           | 10.23         | 273,076.93            | 10.31         | 660,317.57          | 10.23         |
| 5years-10years   | 2,503.98            | 11.50         | 864,070.82           | 22.85         | 745,359.94            | 28.15         | 1,611,934.74        | 24.98         |
| Above 10years    | 13,693.25           | 62.87         | 2,115,254.22         | 55.94         | 1,206,146.13          | 45.55         | 3,335,093.59        | 51.69         |
| <b>Total</b>     | <b>21,781.19</b>    | <b>100.00</b> | <b>3,781,601.05</b>  | <b>100.00</b> | <b>2,648,237.97</b>   | <b>100.00</b> | <b>6,451,620.21</b> | <b>100.00</b> |

### 2.3.1.7 State Government Bonds

Investments in State Government securities worth **₦129.33 billion** were in different bond tranches issued by Lagos State Government as detailed below:

Table 19: Break down of Investments in State Government Securities in the RSA Active Fund as at 31 December 2021

| STATE GOVERNMENT                | MATURITY DATE | COUPON (%) | FUND I<br>₦ Million | WEIGHT (%)    | FUND II<br>₦ Million | WEIGHT (%)    | FUND III<br>₦ Million | WEIGHT (%)    | TOTAL<br>₦ Million | WEIGHT (%)    |
|---------------------------------|---------------|------------|---------------------|---------------|----------------------|---------------|-----------------------|---------------|--------------------|---------------|
| Lagos State Series I Tranch A   | Sep-22        | 0.18       | -                   | 0.00          | 382.98               | 0.48          | -                     | 0.00          | 382.98             | 0.30          |
| Lagos State Series I Tranch B   | Sep-22        | 0.16       | -                   | 0.00          | 134.53               | 0.17          | -                     | 0.00          | 134.53             | 0.10          |
| Lagos State Series II Tranch I  | Aug-24        | 0.17       | 363.88              | 49.65         | -                    | 0.00          | -                     | 0.00          | 363.88             | 0.28          |
| Lagos State Series II Tranch IV | Aug-27        | 0.16       | 63.14               | 8.61          | 8,510.76             | 10.76         | -                     | 0.00          | 8,573.91           | 6.63          |
| Lagos Series II Tranch II       | Aug-27        | 0.17       |                     | 0.00          | 15,781.19            | 19.96         | 7,601.22              | 15.35         | 23,382.41          | 18.08         |
| Lagos State Series III          | Jan-30        | 0.12       | 36.82               | 5.02          | 15,581.31            | 19.71         | 14,145.46             | 28.56         | 29,763.59          | 23.01         |
| Lagos State Series IV           | Dec-31        | 0.13       | 269.10              | 36.71         | 38,673.65            | 48.91         | 27,785.49             | 56.10         | 66,728.24          | 51.60         |
| <b>Total</b>                    |               |            | <b>732.95</b>       | <b>100.00</b> | <b>79,064.41</b>     | <b>100.00</b> | <b>49,532.18</b>      | <b>100.00</b> | <b>129,329.53</b>  | <b>100.00</b> |

### 2.3.1.8 Corporate Debt Instruments

Investments in Corporate Debt Securities were valued at **N568.15 billion** which comprised Corporate Bonds of **N534.86 billion**, Corporate Infrastructure Bonds of **N22.76 billion** and Corporate Green Bonds of **N10.54 billion**.

Details of RSA Active Funds' investments in Corporate Bonds are presented in table 20 below:

Table 20: Breakdown of new Corporate Bonds Investments in 2021

| S/N | NARRATION                               | TENOR<br>(Years) | COUPON<br>RATE % | MATURITY<br>DATE |
|-----|-----------------------------------------|------------------|------------------|------------------|
| 1   | Emzro Pharma Funding SPV PLC            | 4                | 0.10             | 20-Jan-26        |
| 2   | NSP-SPV Series 2                        | 9                | 0.12             | 15-Apr-31        |
| 3   | MTN Nigeria Telecommunications Series I | 6                | 0.13             | 5-May-28         |
| 4   | DCP PLC Sereies 1 Tranche               | 6                | 0.14             | 26-May-28        |
| 5   | C & I Leasing PLC Series II             | 6                | 0.16             | 3-Jun-28         |
| 6   | Family Homes Sukuk Series I             | 7                | 0.13             | 15-Jul-28        |
| 7   | ARDOVA PLC Bond Series I Tranche B      | 10               | 0.14             | 12-Nov-31        |
| 8   | ARDOVA PLC Series I Tranche A           | 7                | 0.13             | 12-Nov-28        |
| 9   | GPC-SPV Company PLC Series I            | 10               | 0.13             | 23-Nov-31        |
| 10  | Flour Mills Series II                   | 2                | 0.16             | 30-Oct-23        |
| 11  | Fidelity Bank Series I                  | 10               | 0.09             | 7-Jan-31         |
| 12  | Dangote Cement                          | 7                | 0.14             | 30-May-28        |
| 13  | NSP-SPV Green Infrastructure            | 13               | 0.16             | 27-Feb-34        |
| 14  | LFZC Funding SPV PLC                    | 21               | 0.13             | 16-Sep-41        |
| 15  | MIXTA Nigeria                           | 3                | 0.17             | 27-Sep-23        |
| 16  | NSP-SPV Green Infrastructure            | 10               | 0.12             | 15-Apr-31        |

### 2.3.1.9 Money Market Instruments:

Total investments in Money Market Instruments stood at **N1.38 trillion** and was distributed between placements with Banks (97.31%) and Commercial Papers (2.69%).

Bank placements were significant in five banks, namely: Access Bank Plc, 21%; Fidelity Bank Plc, 18%; Ecobank Nigeria Plc, 11%; and Wema Bank Plc, 9%.

Figure 2 below shows the split between Bank Placements and Commercial Papers in RSA Funds I, II and III.

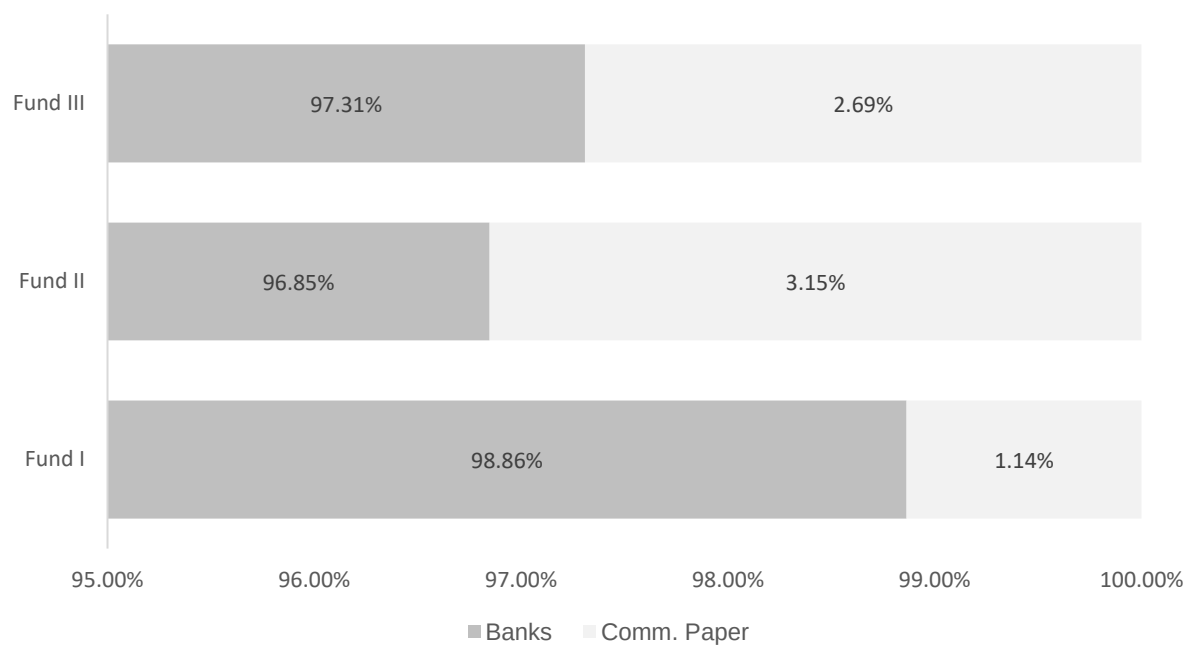


Figure 4: Investments in Money Market Instruments by RSA Active Funds as at 31 December 2021

#### 2.3.1.10 Open/Closed-Ended/ Hybrid Funds (Including Exchange Traded Funds and Real Estate Investment Trusts)

The total investments of ~~N~~12.96 billion in this asset class was made up of investments in Open/Closed End Fund valued at ~~N~~2.52 billion and investments in REITS worth ~~N~~10.45 billion. Investments in Open/Closed-ended/Hybrid funds for RSA active funds were; Fund I (~~N~~42.74 million); Fund II (~~N~~10.46 billion) and Fund III (~~N~~2.09 billion). Chapel Hill Denham Nigeria accounted for 35% of the investments in REITS while UPDC REITS accounted for 26.51%.

#### 2.3.1.11 Private Equity Fund

RSA Fund II was the only Fund with investments in Private Equity Fund. The investments worth ~~N~~25.65 billion were majorly in Capital Alliance Private Equity Funds managed by African Capital Alliance Limited.

#### 2.3.1.12 Infrastructure Fund

The total investment in Infrastructure Funds was ~~N~~62.15 billion and comprised: Fund I (~~N~~1.02 billion) and Fund II (~~N~~61.13 billion). The Chapel Hill Nigeria Infrastructure Debt Fund accounted for more than 70% of investments in Infrastructure Funds across the RSA Funds I & II.

### 2.3.1.13 Performance of the RSA Funds I-III as at 31 December 2021

The weighted average Rate of Returns on the RSA Active Fund for the year 2021 were as detailed in the table below:

Table 21: Performance of the RSA Active Funds as at 31 December 2021

| <b>Weighted Average Rate of Return<br/>(%)</b> | <b>Fund I</b> | <b>Fund II</b> | <b>Fund III</b> |
|------------------------------------------------|---------------|----------------|-----------------|
|                                                | 8.34%         | 7.73%          | 7.98%           |

The performance of the RSA Active funds was positively impacted by appreciation in the prices of equities in the Fund's portfolio as the NSE Pension Index appreciated by 16.96% for the year 2021. However, the positive performance of equities in the Fund portfolios was moderated by depreciation in the prices of Federal Government bonds.

Accordingly, Funds with higher proportion of marked to market bond portfolio recorded higher unrealized losses and lower returns for the year. Specifically, Fund I recorded a relatively higher performance due to a lower fair valued portion of FGN bond (0.88%) compared to Fund II and III with fair valued portions of 1.85% and 1.28 respectively.

### 2.3.2 Analysis of Retiree Fund (Fund IV)

#### 2.3.2.1 Summary of RSA Retiree Fund as At 31 December 2021

The Net Assets Value of the RSA Retiree Fund grew by 10.81% in the year 2021, from ₦962.66 billion recorded in 2020 to ₦1.07 trillion as at 31 December, 2021. Investments in Federal Government Securities accounted for 69.71% of the Fund, while Money Market Instruments and Corporate Debt Securities accounted for 19.33% and 6.81% respectively. Other asset classes accounted for 4.15% of the Retiree Fund portfolio. The table below provides details of RSA Retiree Fund.

Table 22: Comparative Summary of the RSA Retiree Fund as at 31 December 2021

| ASSET CLASS                    | Portfolio Limit | 2020                |            | Portfolio Limit | 2021                |            | Portfolio Limit (%) | VARIANCE |         |
|--------------------------------|-----------------|---------------------|------------|-----------------|---------------------|------------|---------------------|----------|---------|
|                                |                 | Mkt Value ₦ Billion | Weight (%) |                 | Mkt Value ₦ Billion | Weight (%) |                     |          |         |
| Quoted Ordinary Shares         | 0.10            | 10.87               | 1.13       | 0.25            | 10.51               | 0.99       | 0.10                | (0.36)   | -3.29   |
| Federal Govt. Securities       | 0.80            | 655.33              | 68.07      | 0.70            | 743.65              | 69.71      | 0.80                | 88.32    | 13.48   |
| FGN Bonds                      |                 | 593.58              | 61.66      |                 | 711.28              | 66.68      |                     | 117.70   | 19.83   |
| Treasury Bills                 |                 | 47.19               | 4.90       |                 | 16.64               | 1.56       |                     | (30.55)  | -64.73  |
| Agency Bonds                   |                 | 0.58                | 0.06       |                 | 1.95                | 0.18       |                     | 1.36     | 232.97  |
| Sukuk                          |                 | 12.68               | 1.32       |                 | 12.97               | 1.22       |                     | 0.29     | 2.28    |
| Green Bonds                    |                 | 1.29                | 0.13       |                 | 0.81                | 0.08       |                     | (0.48)   | -37.16  |
| State Govt. Bonds              | 0.20            | 10.75               | 1.12       | 0.15            | 14.61               | 1.37       | 0.20                | 3.86     | 35.91   |
| Corporate Debt Securities      | 0.35            | 65.51               | 6.81       | 0.40            | 72.60               | 6.81       | 0.45                | 7.09     | 10.82   |
| Corporate Bonds                |                 | 63.77               | 6.62       |                 | 66.36               | 6.22       |                     | 2.59     | 4.06    |
| Corporate Infrastructure Bonds |                 | 0.79                | 0.08       |                 | 5.95                | 0.56       |                     | 5.15     | 649.16  |
| Corporate Green Bonds          |                 | 0.95                | 0.10       |                 | 0.29                | 0.03       |                     | (0.66)   | -69.17  |
| Supranational Bonds            | 0.20            | 0.44                | 0.05       | 0.20            | 0.00                | 0.00       | 0.20                | (0.44)   | -100.00 |
| Money market Instruments       | 0.35            | 184.53              | 19.17      | 0.30            | 206.23              | 19.33      | 0.35                | 21.70    | 11.76   |
| Bank Placements                |                 | 160.44              | 16.67      |                 | 199.69              | 18.72      |                     | 39.25    | 24.47   |
| Commercial Papers              |                 | 24.09               | 2.50       |                 | 6.54                | 0.61       |                     | (17.55)  | -72.85  |
| Mutual Funds                   | 0.05            | 1.37                | 0.14       | 0.20            | 0.76                | 0.07       | 0.10                | (0.61)   | -44.34  |
| Open/Close End Funds           |                 | 0.06                | 0.01       |                 | 0.66                | 0.06       |                     | 0.60     | 1074.74 |
| REITs                          |                 | 1.31                | 0.14       |                 | 0.10                | 0.01       |                     | (1.21)   | -92.36  |
| Cash & Other Assets            |                 | 33.87               | 3.52       |                 | 18.35               | 1.72       |                     | (15.52)  | -45.83  |
| Net Asset Value                |                 | 962.66              | 100.00     |                 | 1,066.71            | 100.00     |                     | 104.05   | 10.81   |

### 2.3.2.2 Sources of Portfolio Growth/Diminution

The net growth of the RSA Retiree Funds dipped to ₦104.05 billion as at 31 December 2021, when compared with the net growth of ₦146.13 billion recorded in 2020. The relative low growth of ₦104.05 reported in 2021 was attributed to high unrealized losses reported on the bond portfolio in 2021.

The table below provides a breakdown of the Retiree Fund's growth for 2020 and 2021.

Table 23: Sources of Portfolio Growth of RSA Retiree Fund for the Year ended 31 December 2021

| S/N | Asset Classes                                                                | 2020                | 2021                | Variance            |
|-----|------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
|     |                                                                              | Amount ₦<br>Billion | Amount ₦<br>Billion | Amount ₦<br>Billion |
| 1   | Inflow of Funds                                                              |                     |                     |                     |
| 1.1 | Transfers of Retirees RSA Active Balances/Accrued Rights                     | 352.40              | 345.81              | (6.59)              |
| 2   | Investment Income                                                            | <b>108.67</b>       | <b>102.50</b>       | <b>(6.18)</b>       |
| 2.1 | Interests/Coupons                                                            | 90.91               | 102.47              | 11.56               |
| 2.2 | Dividends                                                                    | 0.74                | 0.85                | 0.11                |
| 2.3 | Net Realized Gains/ (Losses) on Equities and Bonds                           | 17.03               | (0.82)              | (17.85)             |
| 3   | Net Unrealized Gains/ (Losses) on Quoted Equities and Equity Funds and Bonds | 14.35               | (9.68)              | (24.03)             |
| 4   | Retirement Benefits Paid                                                     | (320.08)            | (326.32)            | (6.24)              |
| 5   | Income Based Fees (VAT Inclusive)                                            | (9.21)              | (8.26)              | 0.95                |
|     | <b>Total</b>                                                                 | <b>146.13</b>       | <b>104.05</b>       | <b>(42.08)</b>      |

**i. Transfers from RSA Active Funds:**

Transfers from the RSA Active Funds in respect of accrued pension rights and accumulated contributions of active members that had retired declined to **₦345.81 billion** in 2021 relative to **₦352.40 billion** recorded in 2020.

**ii. Investment Income:**

Interest/coupons earned on investments in fixed income securities increased by 12.72% to **₦102.47 billion** in 2021, relative to **₦90.91 billion** earned in 2020. The increase in earnings was associated with higher yields on additional investments in fixed income securities during the period under review.

**iii. Net Realized Gains/(Losses) on Equities and Bonds:**

The retiree fund recorded a net realized loss of **₦821.31 million** as at 31 December, 2021. This loss was largely incurred on bonds sold during the period.

**iv. Net Unrealized Gains/(Losses) on Equities and Bonds:**

The net unrealized losses on the Fund totaled **₦9.68 billion** as at 31 December, 2021; the bond portfolio accounted for 98.85% (**₦9.58 billion**) of the unrealized losses as a result of depreciation in bond prices during the period.

**v. Retirement Benefit Payment**

A total of **₦326.32 billion** was paid out as retirement benefits during the year 2021. The payments comprised retirement benefit payment and 25% pay out due to temporary loss of job.

**vi. Income Based Fees**

Income Based fees inclusive of 7.5% Value Added Tax amounted to **₦8.26 billion** which is equivalent to 8.06% of the total investment income for the period. The proportion of Income Based fees to investment income was relatively stable when compared to the 8.48% recorded in 2020.

**2.3.2.3 Review of Asset Classes for Fund IV**

**2.3.2.4 Domestic Ordinary Shares**

The total equity investments of the RSA Retiree funds was **₦10.51 Billion** as at 31 December 2021. This amount was distributed across sectors such as Financial Services (52.66%), Industrial Goods (15.02%), Consumer Goods (10.22%) and Telecommunication (18.42%). Other sectors comprised Oil & Gas (1.84%), Conglomerate (0.54%), and Agriculture (1.30%).

Figure 5 below provides a summary of the equity classification of the RSA Retiree fund portfolio.

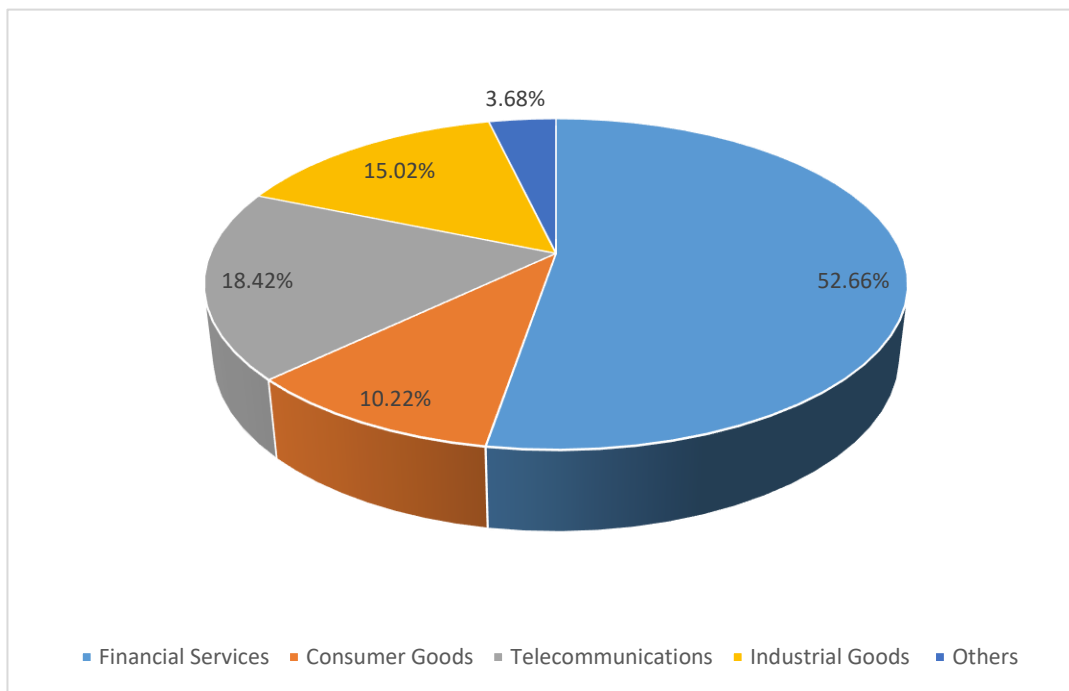


Figure 5: RSA Retiree Funds Investment in Equities based on the NSE Sector Classification

### 2.3.2.5 FGN Securities

Investments in FGN Securities was valued at ₦743.65 Billion as at 31 December, 2021 and were majorly in bonds as shown in Table 24 below:

Table 24: Break Down of Investment in FGN Securities as at 31 December 2021

| S/N | Securities       | Amount (N'Million) | % of Total FGN Securities |
|-----|------------------|--------------------|---------------------------|
| 1   | FGN Bonds        | 711,275.76         | 95.65                     |
| 2   | FGN Agency Bonds | 1,946.24           | 0.26                      |
| 3   | FGN Sukuk        | 12,971.30          | 1.74                      |
| 4   | FGN Green Bonds  | 809.689            | 0.11                      |
| 5   | Treasury Bills   | 16,643.83          | 2.24                      |
|     | <b>TOTAL</b>     | <b>743,646.81</b>  | <b>100.00</b>             |

The maturity profile of FGN bonds comprised of Short term (below 3 – 5 years) and Mid-term (6-10 years) maturity buckets. Both tenors accounted for 29.06% of the total investments in FGN bonds, while the Long-term maturity bucket (above 10 years) accounted for 41.21% of FGN bonds investments. The higher allocation to short-medium term bond tenors relative to the RSA Active Funds is consistent with the maturity obligation of the Retiree Fund.

The breakdown of the maturity profile of FGN Bonds in the RSA Retiree Fund is presented in Table 25 below:

Table 25: Term to Maturity Profile of FGN Securities in the RSA Retiree Fund as at 31 December 2021

| S/N | Term to Maturity | Amount (N'Million) | % of Total FGN Bonds |
|-----|------------------|--------------------|----------------------|
| 1   | Below 3years     | 136,664.98         | 18.38                |
| 2   | 3years – 5years  | 79,407.88          | 10.68                |
| 3   | 5years-10years   | 234,519.23         | 31.54                |
| 4   | Above 10years    | 293,053.67         | 39.41                |
|     | <b>TOTAL</b>     | <b>743,645.76</b>  | <b>100.00</b>        |

### 2.3.2.6 State Government Bonds

Investments in State Government bonds was valued at ~~N~~14.61 Billion, representing a 35.94% increase over the ~~N~~10.75 billion recorded in 2020. The increase was mainly attributed to additional investment in the 13.00% Lagos State Dec-2031 bond worth ~~N~~7.23 billion in 2021.

Table 26: Break Down of Investments in State Government Bond by the RSA Retiree Fund as at 31 December 2021

| S/N | State Governments         | Coupon Rate (%) | Tenor | Maturity Date | Amount (N'Million) |
|-----|---------------------------|-----------------|-------|---------------|--------------------|
| 1   | Lagos Series II Tranch II | 0.17            | 5.61  | Aug-24        | 525.23             |
| 2   | Lagos Series II Tranch IV | 0.16            | 5.61  | Aug-27        | 1,344.28           |
| 3   | Lagos State               | 0.12            | 8.08  | Jan-30        | 5,513.31           |
| 4   | Lagos State               | 0.13            | 9.98  | Dec- 31       | 7,230.36           |
|     | <b>TOTAL</b>              |                 |       |               | <b>14,613.19</b>   |

### 2.3.2.7 Corporate Debt Securities

Pension Assets investments in Corporate Debt Securities amounted to ~~N~~72.60 Billion spread across several corporate bonds as shown in the table below. The major investments in this asset class were in Dangote Plc and MTN Nigeria. Breakdown of investments is shown in Table 27.

Table 27: Summary of Corporate Debt Securities in the RSA Retiree Fund as at 31 December 2021

| S/N | Corporate Bonds                                       | COUPON RATE (%) | MATURITY DATE | AMOUNT (N'MILLION) |
|-----|-------------------------------------------------------|-----------------|---------------|--------------------|
| 1   | Arдова Plc Bond Series 1 Tranche A                    | 0.13            | 12-Nov-28     | 1,242.57           |
| 2   | Arдова Plc Bond Series 1 Tranche B                    | 0.14            | 12-Nov-31     | 918.59             |
| 3   | Access Bank                                           | 0.16            | 23-Jul-26     | 3,291.51           |
| 4   | ACCESS GREEN-B 1                                      | 0.16            | 18-Mar-24     | 31.34              |
| 5   | AXXELA Funding 1 PLC                                  | 0.14            | 20-May-27     | 2,408.07           |
| 6   | BUA Cement PLC                                        | 0.08            | 30-Dec-27     | 4,871.89           |
| 7   | C&I Leasing PLC                                       | 0.17            | 11-Jun-23     | 254.34             |
| 8   | C&I Leasing PLC                                       | 0.16            | 3-Jun-28      | 572.95             |
| 9   | CardinalStone Financing SPV PLC                       | 0.07            | 30-Dec-25     | 40.02              |
| 10  | CERPAC 2028[ID:36689]                                 | 0.15            | 15-Jul-28     | 83.97              |
| 11  | CERPAC BOND 2024[ID:18270]                            | 0.18            | 15-Jan-25     | 42.89              |
| 12  | CERPAC Receivables Funding SPV PLC Series I           | 0.15            | 7-May-25      | 42.94              |
| 13  | Coronation MB Funding SPV PLC                         | 0.06            | 30-Nov-25     | 2,242.67           |
| 14  | Dangote Cement PLC                                    | 0.13            | 30-Apr-25     | 7,499.56           |
| 15  | Dangote Cement PLC Series I Tranche B                 | 0.13            | 30-May-26     | 2,175.83           |
| 16  | Dangote Cement PLC Series I Tranche C                 | 0.14            | 30-May-28     | 3,506.37           |
| 17  | Dufil Prima Foods                                     | 0.18            | 1-Sep-22      | 530.50             |
| 18  | Eat & Go Finance SPV PLC                              | 0.14            | 17-Dec-26     | 2,708.86           |
| 19  | EMZOR                                                 | 0.10            | 20-Jan-26     | 794.20             |
| 20  | FAMILY HOMES SUKUK SERIES I                           | 0.13            | 15-Jul-28     | 1,493.87           |
| 21  | FBNQ MB Funding SPV PLC Series I                      | 0.11            | 5-Feb-23      | 110.60             |
| 22  | FBNQ MB Funding SPV PLC Series II                     | 0.06            | 16-Dec-30     | 150.70             |
| 23  | FCMB Financing SPV PLC                                | 0.17            | 8-Dec-23      | 52.07              |
| 24  | FIDELITY BANK 2030 SERIES 1 BOND                      | 0.09            | 30-Dec-30     | 208.61             |
| 25  | Fidelity Bank PLC                                     | 0.09            | 7-Jan-31      | 3,636.82           |
| 26  | FIXED RATE BOND                                       | 0.17            | 12-Oct-25     | 155.49             |
| 27  | FIXED RATE GREEN BOND                                 | 0.16            | 18-Mar-24     | 263.24             |
| 28  | Flour Mills of Nigeria PLC Series II                  | 0.16            | 30-Oct-23     | 1,212.51           |
| 29  | Flour Mills of Nigeria PLC Series III Tranch A        | 0.10            | 27-Feb-23     | 358.17             |
| 30  | Flour Mills of Nigeria PLC Series III Tranch B        | 0.11            | 27-Feb-25     | 242.71             |
| 31  | Flour Mills of Nigeria PLC Series Tranch IV Tranche A | 0.06            | 15-Dec-25     | 468.43             |
| 32  | Flour Mills of Nigeria PLC Series Tranch IV Tranche B | 0.06            | 14-Dec-27     | 2,908.88           |
| 33  | FSDH Funding SPV PLC Series I Tranch A                | 0.09            | 16-Feb-26     | 388.89             |
| 34  | FX Rate Bond S-II May 2031                            | 0.13            | 4-Nov-31      | 40.81              |
| 35  | GEL Utility Funding SPV PLC                           | 0.15            | 28-Aug-34     | 677.31             |
| 36  | GPC-SPV COMPANY PLC BOND SERIES 1                     | 0.13            | 23-Nov-31     | 2,965.32           |
| 37  | GREEN BOND MARCH 2024                                 | 0.16            | 18-Mar-24     | 261.08             |
| 38  | Interswitch Africa One Bond Series 1                  | 0.15            | 18-Oct-26     | 186.40             |
| 39  | INTERSWITCH CBOND S1                                  | 0.16            | 23-Oct-26     | 116.22             |
| 40  | LAPO MFB                                              | 0.18            | 19-Dec-22     | 201.32             |
| 41  | LAPO MFB SPV PLC                                      | 0.13            | 30-Mar-25     | 304.74             |
| 42  | LFZC PLC 2041 Bond                                    | 0.13            | 16-Sep-41     | 468.35             |
| 43  | Mecure Industries Funding SPV PLC                     | 0.13            | 31-Mar-26     | 51.66              |
| 44  | Mixta Real Estate PLC Tranche A                       | 0.17            | 12-Oct-23     | 341.24             |

| S/N | Corporate Bonds                                   | COUPON RATE (%) | MATURITY DATE | AMOUNT (N'MILLION) |
|-----|---------------------------------------------------|-----------------|---------------|--------------------|
| 45  | MTN Nigeria Communications PLC                    | 0.13            | 5-May-28      | 7,345.44           |
| 46  | MTN SERIES 2 BONDS                                | 0.13            | 4-Nov-31      | 1,152.75           |
| 47  | MUNICIPALITY WASTE MANAGEMENT CONTRACTORS LIMITED | 0.16            | 5-Sep-22      | 31.58              |
| 48  | MUNICIPALITY WASTE MGT CONTRACTOR BOND S1         | 0.18            | 5-Sep-22      | 203.04             |
| 49  | NOVAMBL Investments SPV Plc                       | 0.12            | 23-Jul-27     | 1,380.89           |
| 50  | NSP-SPV POWERCORP BOND SERIES II                  | 0.12            | 15-Apr-31     | 426.59             |
| 51  | Stanbic IBTC Bank PLC                             | 0.16            | 5-Dec-23      | 1,714.40           |
| 52  | Sterling Investment Management SPV PLC            | 0.17            | 3-Aug-23      | 1,517.24           |
| 53  | Sterling Investment Management SPV PLC            | 0.16            | 6-Oct-25      | 1,448.47           |
| 54  | SUNDRY FOODS BOND DEC 2026[ID:36757]              | 0.14            |               | 45.27              |
| 55  | Transcorp Hotels PLC                              | 0.16            | 26-Oct-22     | 344.24             |
| 56  | TSL SPV PLC                                       | 0.10            | 6-Oct-30      | 465.29             |
| 57  | Union Bank of Nigeria PLC Series II               | 0.16            | 3-Sep-25      | 105.09             |
| 58  | Union Bank of Nigeria PLC Series III              | 0.16            | 27-Jun-29     | 3,709.77           |
| 59  | United Capital Plc                                | 0.13            | 28-May-25     | 1,154.59           |
| 60  | Viathan Engineering Limited                       | 0.16            | 14-Dec-27     | 258.40             |
| 61  | Wema Funding SPV PLC                              | 0.17            | 11-Oct-25     | 772.39             |
|     | <b>Total</b>                                      |                 |               | <b>72,599.94</b>   |

### 2.3.2.8 Money Market Instruments

Investments in Money Market Instruments amounted to **₦206.23 billion** as at 31 December, 2021. This represented a growth of 11.76% relative to the **₦184.53 billion** as at 31 December 2020. Bank placements accounted for 96.83% (**₦199.69 billion**) of the investment in Money Market, while Commercial Papers accounted for 3.17%. Significant portions of the investments were held by the following banks: Access Bank Plc (16.42%), Fidelity Bank (13.61%), Wema Bank (11.37%) and Ecobank Nigeria Plc (9.24%).

### 2.3.2.9 Mutual Funds/REITS

Investments in Mutual Funds amounted to **₦760.34 million** and were distributed across Chapel Hill Denham REITS (**₦553.84 million**), Coral Growth Fund (**₦65.81 million**), UPDC REITS (**₦44.31 million**) and GEL Utility Fund SPV (**₦96.38 million**). Chapel Hill Denham REITS accounted for 72.84%, while the other three Funds (Coral Growth & UPDC REITS) accounted for 27.16%.

### 2.3.2.10 Performance of the RSA Retiree Fund as at 31 December 2021

The Retiree Fund recorded a Weighted Average Rate of Return of 8.65% in 2021 compared to 14.04% in 2020. The lower performance of the RSA Retiree Fund was attributed to depreciation in the prices of bonds mark to market in the Retiree Fund portfolio for the period under review.

### 2.3.3 Analysis of Micro Pension Fund (Fund V)

#### 2.3.3.1 Summary of Micro Pension Fund (Fund V) At 31 December 2021

The Net Assets Value of the Micro Pension Fund grew by 196.33% (**N146.54 million**) in the year 2021, from the **N74.64 million** recorded in 2020 to **N221.18 million** as at 31 December, 2021. The investments of micro pension fund were skewed in favour of Money Market Instruments, which accounted for 59.94% of the fund as at 31 December 2021. Investments in FGN securities accounted for 25.70%. The distribution across asset classes are detailed in Table 28 below:

Table 28: Summary of the Micro Pension Fund as at 31 December 2021

| ASSET CLASS              | Portfolio Limit | 2020                   |               | Portfolio Limit | 2021                   |               | VARIANCE      |               |
|--------------------------|-----------------|------------------------|---------------|-----------------|------------------------|---------------|---------------|---------------|
|                          |                 | Mkt Value<br>₦ Million | Weight<br>(%) |                 | Mkt Value<br>₦ Million | Weight<br>(%) |               |               |
| Quoted Ordinary Shares   | 0.05            | 0.14                   | 0.19          | 0.05            | 0.03                   | 0.01          | (0.11)        | -78.57        |
| Federal Govt. Securities | 0.60            | <b>26.53</b>           | <b>35.54</b>  | 0.60            | <b>56.84</b>           | <b>25.70</b>  | <b>30.31</b>  | <b>114.25</b> |
| FGN Bonds                |                 | 12.10                  | 16.21         |                 | 16.90                  | 7.64          | 4.80          | 39.67         |
| Treasury Bills           |                 | 14.43                  | 19.33         |                 | 37.43                  | 16.92         | 23.00         | 159.39        |
| Sukuk                    |                 |                        | 0.00          |                 | 2.51                   | 1.13          | 2.51          | 100.00        |
| Corporate Bonds          | 0.35            |                        | 0.00          | 0.35            | 0.51                   | 0.23          | 0.51          | 100.00        |
| Money market Instruments | <b>0.60</b>     | <b>40.78</b>           | <b>54.64</b>  | 0.60            | <b>132.58</b>          | <b>59.94</b>  | <b>91.80</b>  | <b>225.11</b> |
| Bank Placements          |                 | 40.09                  | 53.71         |                 | 132.58                 | 59.94         | 92.49         | 230.71        |
| Commercial Papers        |                 | 0.69                   | 0.92          |                 |                        | 0.00          | (0.69)        | -100.00       |
| Cash & Other Assets      |                 | 7.19                   | 9.63          |                 | 31.22                  | 14.12         | 24.03         | 334.23        |
| <b>Net Asset Value</b>   |                 | <b>74.64</b>           | <b>100.00</b> |                 | <b>221.18</b>          | <b>100.00</b> | <b>146.54</b> | <b>196.33</b> |

#### 2.3.3.2 Sources of Portfolio Growth/Diminution

The Micro Pension Fund grew by **N146.54 million** to **N221.18 million** as at 31 December, 2021. The breakdown of the Fund's growth is presented in Table 29 below:

Table 29: Sources of Growth of the RSA Retiree Fund for the Year ended 31 December 2021

| S/N | Asset Classes                                                                | 2021             |
|-----|------------------------------------------------------------------------------|------------------|
|     |                                                                              | Amount ₦ Million |
| 1   | Inflow of Funds                                                              | 146.47           |
| 2   | Investment Income                                                            | <b>14.28</b>     |
| 2.1 | Interests/Coupons                                                            | 13.51            |
| 2.2 | Dividends                                                                    | (0.11)           |
| 2.3 | Net Realized Gains/ (Losses) on Equities and Bonds                           | 0.89             |
| 3   | Net Unrealized Gains/ (Losses) on Quoted Equities and Equity Funds and Bonds | 0.45             |
| 4   | Retirement Benefits Paid                                                     | (14.36)          |
| 5   | Income Based Fees (VAT Inclusive)                                            | (0.30)           |
|     | <b>Total</b>                                                                 | <b>146.54</b>    |

### 2.3.3.3 Performance of the Micro Pension Fund for the Year 2021

The Micro Pension Fund recorded a rate of return 8.52% for the year 2021. The performance was majorly attributed to interest on the fund's investment in money market instrument as the asset accounted for 59.94% of the fund's total asset.

### 2.3.4 Review of Non-Interest Fund (Fund VI)

#### 2.3.4.1 Commencement of the Management of Fund VI Pension Assets

Following the issuance of the Operational Framework on Non-Interest Fund (Fund VI) for immediate implementation by PFAs on 22 June 2021, the Pension Industry formally commenced the management and investment of Fund VI assets in Non-interest compliant instruments. Non-interest compliant instruments are financial securities and specialist investment funds that comply with the provisions of Islamic Commercial Jurisprudence (Shari'ah) and any other established non-interest principles, as approved by the Financial Regulation Advisory Council of Experts (FRACE), or any other body, constituted by the Central Bank of Nigeria and/or Securities and Exchange Commission, from time to time.

Fund VI is separated into two funds for Active RSA holders and Retirees. The Portfolio composition of Fund VI, in the first instance, is to be made up of Sharia compliant instruments and any gap shall be filled up with conventional securities/instruments. The Portfolio Mix (compliant vs non-compliant) in Fund VI is to be progressively phased out in favour of Shari'ah compliant securities subject to market situation and availability of products.

#### 2.3.4.2 Summary of Non-Interest Fund VI as at 31 December 2021

The Net Assets Value of Fund VI (Active and Retiree) stood at N16.13 billion as at 31 December, 2021. This comprised N14.45 billion for RSA active and N1.69 billion for retiree. The Fund VI active accounted for 89.56% of the total value of Fund VI, while the retire fund accounted for 10.44% as shown in the table 30 below.

Table 30: Net Asset Value of Fund VI as at 31 December 2021

| <b>Fund</b>     | <b>Amount (N) Million</b> | <b>Weight (%)</b> |
|-----------------|---------------------------|-------------------|
| Fund VI Active  | 14,447.81                 | 0.90              |
| Fund VI Retiree | 1,685.06                  | 0.10              |
| <b>Total</b>    | <b>16,132.87</b>          | <b>100.00</b>     |

#### 2.3.4.3 Portfolio Structure of Fund VI Ethical Fund

Investment in FGN Securities made up 49.76% (N8.03 Billion) of the total Fund VI assets, followed by money market securities, which accounted for 36.81% (N5.94 billion) and corporate debt securities, which accounted for 4.61% (N 0.74 billion). Equities accounted for 2.73% (0.44 billion), while Mutual Funds, Cash and other assets accounted for the balance 6.08%. The asset allocation is presented in the table below.

Table 31: RSA Fund VI Portfolio Allocation

| ASSET CLASSES                                | FUND VI ACTIVE   | WEIGHT (%)    | FUND VI RETIREE | WEIGHT %      | TOTAL AMOUNT     | WEIGHT (%)    |
|----------------------------------------------|------------------|---------------|-----------------|---------------|------------------|---------------|
|                                              | ₦ 'Million       |               | ₦ 'Million      |               | ₦ 'Million       |               |
| SHARES                                       | 421.08           | 2.91          | 18.68           | 1.11          | 439.76           | 2.73          |
| SHARES                                       | 0.00             | 0.00          | 0.00            | 0.00          | 0.00             | 0.00          |
| <b>TOTAL FGN SECURITIES</b>                  | <b>7,445.53</b>  | <b>51.53</b>  | <b>582.76</b>   | <b>34.58</b>  | <b>8,028.29</b>  | <b>49.76</b>  |
| FGN BONDS HTM                                | 3,809.37         | 26.37         | 376.66          | 22.35         | 4,186.03         | 25.95         |
| FGN BONDS MTM                                | 280.30           | 1.94          | 0.00            | 0.00          | 280.30           | 1.74          |
| TREASURY BILLS                               | 545.30           | 3.77          | 59.49           | 3.53          | 604.78           | 3.75          |
| AGENCY BONDS                                 | 0.00             | 0.00          | 0.00            | 0.00          | 0.00             | 0.00          |
| SUKUK                                        | 2,810.56         | 19.45         | 146.61          | 8.70          | 2,957.18         | 18.33         |
| GREEN                                        | 0.00             | 0.00          | 0.00            | 0.00          | 0.00             | 0.00          |
| STATE GOVT. SECURITIES                       | -                | 0.00          | 0.00            | 0.00          | 0.00             | 0.00          |
| <b>CORPORATE DEBT SECURITIES</b>             | <b>671.03</b>    | <b>4.64</b>   | <b>73.44</b>    | <b>4.36</b>   | <b>744.47</b>    | <b>4.61</b>   |
| CORPORATE BONDS                              | 671.03           | 4.64          | 73.44           | 4.36          | 744.47           | 4.61          |
| CORPORATE INFRASTRUCTURE BONDS               | -                | 0.00          | -               | 0.00          | 0.00             | 0.00          |
| CORPORATE GREEN BONDS                        | -                | 0.00          | -               | 0.00          | 0.00             | 0.00          |
| <b>LOCAL MONEY MARKET SECURITIES</b>         | <b>5,005.48</b>  | <b>34.65</b>  | <b>934.40</b>   | <b>55.45</b>  | <b>5,939.87</b>  | <b>36.82</b>  |
| BANK PLACEMENTS                              | 4,971.04         | 34.41         | 932.51          | 55.34         | 5,903.54         | 36.59         |
| COMMERCIAL PAPERS                            | 34.44            | 0.24          | 1.89            | 0.11          | 36.33            | 0.23          |
| <b>MUTUAL FUNDS</b>                          | <b>172.75</b>    | <b>1.20</b>   | <b>1.00</b>     | <b>0.06</b>   | <b>173.75</b>    | <b>1.08</b>   |
| OPEN/CLOSE-END FUNDS                         | 172.75           | 1.20          | 1.00            | 0.06          | 173.75           | 1.08          |
| REITS                                        | 0.00             | 0.00          | 0.00            | 0.00          | 0.00             | 0.00          |
| PROPERTIES                                   | 0.00             | 0.00          | 0.00            | 0.00          | 0.00             | 0.00          |
| PRIVATE EQUITY FUNDS                         | 31.53            | 0.22          | 0.00            | 0.00          | 31.53            | 0.20          |
| INFRASTRUCTURE FUNDS                         | 0.00             | 0.00          | 0.00            | 0.00          | 0.00             | 0.00          |
| CASH & OTHER ASSETS                          | 700.41           | 4.85          | 74.78           | 4.44          | 775.19           | 4.81          |
| <b>NET ASSET VALUE AS @ 31 DECEMBER 2021</b> | <b>14,447.81</b> | <b>100.00</b> | <b>1,685.06</b> | <b>100.00</b> | <b>16,132.87</b> | <b>100.00</b> |

#### 2.3.4.4 Sources of Portfolio Growth/Diminution

The Non-Interest Funds had grown to ₦16.13 billion from its commencement in September 2021. Table 32 below provides a breakdown of the sources of growth.

Table 32: Sources of Growth of the RSA Fund VI (Active & Retiree) for the Year ended 31 December 2021

| S/N | Asset Classes                                                                | FUND VI ACTIVE   | FUND VI RETIREE  | Total Amount ₦ Million |
|-----|------------------------------------------------------------------------------|------------------|------------------|------------------------|
|     |                                                                              | Amount ₦ Million | Amount ₦ Million |                        |
| 1   | Inflow of Funds                                                              |                  |                  |                        |
| 1.1 | Transfers of Retirees RSA Active Balances/Accrued Rights/Contributions       | 14,163.86        | 1,927.04         | 16,090.90              |
| 2   | Investment Income                                                            | <b>352.75</b>    | <b>38.85</b>     | <b>391.60</b>          |
| 2.1 | Interests/Coupons                                                            | 348.27           | 38.70            | 386.96                 |
| 2.2 | Dividends                                                                    | 4.48             | 0.17             | 4.65                   |
| 2.3 | Net Realized Gains/ (Losses) on Equities and Bonds                           | -                | (0.01)           | (0.01)                 |
| 3   | Net Unrealized Gains/ (Losses) on Quoted Equities and Equity Funds and Bonds | 37.83            | 1.53             | 39.36                  |
| 4   | Retirement Benefits Paid                                                     | (54.28)          | (280.56)         | (334.83)               |
| 5   | Asset/Income Based Fees (VAT Inclusive)                                      | (52.35)          | (2.81)           | (55.15)                |
|     | <b>Total</b>                                                                 | <b>14,447.81</b> | <b>1,684.06</b>  | <b>16,131.87</b>       |

**vii. Transfers from RSA Active Funds:**

Transfers from the RSA Active Funds in respect of Fund VI active and retiree fund stood at ₦16.09 Billion as at December 2021. From this amount, transfer into Fund VI Retiree Fund was ₦ 1.93 Billion, while transfers into the Active fund amounted to ₦14.16 billion.

**viii. Investment Income:**

Income earned on investments in Fund VI active and retiree amounted to ₦391.60 million, comprising ₦352.75 million for the Fund VI active and ₦38.85 million for the Fund VI retiree.

**ix. Net Unrealized Gains/(Losses) on Equities and Bonds:**

The Fund VI Active and Retiree Funds recorded a net unrealized gain of ₦39.36 million, comprising ₦37.83 million for the active fund and ₦1.53 million for the retiree fund.

**x. Retirement Benefit Payment**

A total of ₦334. 83 million was paid out of the Funds as retirement benefits during the year 2021.

xi. **Asset/Income Based Fees**

The net fees inclusive of 7.5% Value Added Tax amounted to ₦55.15 million. This comprised ₦52.35 million income-based fees and ₦ 2.81 million asset-based fees.

**2.3.4.5 Performance of the RSA Ethical Fund**

The Weighted Annualized Rate of Return for Fund VI active stood at 5.72%, while that of the Retiree Fund stood at 4.53%. The difference in performance was attributed to higher yields on longer tenored Fixed income securities which was higher in Fund VI Active relative to Fund VI retiree.

**2.3.5 Review of Closed Pension Fund Assets**

**2.3.5.1 General Overview**

Total pension assets under the management of the six Closed Pension Funds (CPFAs) declined by 2.24% to ₦1.52 trillion compared to ₦1.55 trillion in 2020. Shell CPFA accounted for 50.47% of the total assets under the management of the six CPFAs; Total CPFA had 22.16%, while Chevron CPFA had 14.36%.

The portfolio structure of the CPFAs assets under management presented in the table below, indicated significant investments in FGN Securities (55.60%), Corporate Bonds (13.57%), Equities (10.28%), Money Market Securities (8.42%), Real Estate (8.25%) and Mutual Funds (0.93%).

Table 33: Comparative Summary of Total Assets under the Management of CPFA as at 31 December 2021

| ASSET CLASSES                   | 2020            |               | 2021            |               | VARIANCE       |               |
|---------------------------------|-----------------|---------------|-----------------|---------------|----------------|---------------|
|                                 | ₦ 'Billion      | Weight (%)    | ₦ 'Billion      | Weight (%)    | ₦ 'Billion     | Weight (%)    |
| Quoted Ordinary Shares          | 39.10           | 2.51          | 34.13           | 2.24          | (4.97)         | -12.71        |
| Foreign Ordinary Shares         | 92.92           | 5.97          | 122.43          | 8.04          | 29.51          | 31.76         |
| <b>Federal Govt. Securities</b> | <b>881.00</b>   | <b>56.57</b>  | <b>846.66</b>   | <b>55.60</b>  | <b>(34.33)</b> | <b>-3.90</b>  |
| FGN Bonds                       | 872.27          | 56.01         | 779.87          | 51.21         | (92.41)        | -10.59        |
| Treasury Bills                  | 5.64            | 0.36          | 22.48           | 1.48          | 16.83          | 298.21        |
| Agency Bonds                    | 0.91            | 0.06          | 0.60            | 0.04          | (0.31)         | -34.43        |
| Sukuk                           | 1.19            | 0.08          | 0.60            | 0.04          | (0.59)         | -49.44        |
| Green Bonds                     | 0.98            | 0.06          | 43.13           | 2.83          | 42.14          | 4290.34       |
| State Govt. Bonds               | 10.84           | 0.70          | 18.72           | 1.23          | 7.88           | 72.76         |
| Corporate Debt Securities       | 183.59          | 11.79         | 206.66          | 13.57         | 23.07          | 12.57         |
| Supranational Bonds             | 0.25            | 0.02          | -               | 0.00          | (0.25)         | -100.00       |
| <b>Money market Instruments</b> | <b>129.37</b>   | <b>8.31</b>   | <b>128.20</b>   | <b>8.42</b>   | <b>(1.17)</b>  | <b>-0.91</b>  |
| Bank Placements                 | 106.70          | 6.85          | -               | 0.00          | (106.70)       | -100.00       |
| Commercial Papers               | 3.98            | 0.26          | 118.97          | 7.81          | 114.99         | 2889.01       |
| Foreign Money Market Instrument | 18.69           | 1.20          | 9.23            | 0.61          | (9.46)         | -50.62        |
| <b>Mutal Funds</b>              | <b>54.01</b>    | <b>3.47</b>   | <b>14.23</b>    | <b>0.93</b>   | <b>(39.77)</b> | <b>-73.64</b> |
| Open/Close End Funds            | 51.81           | 3.33          | 14.21           | 0.93          | (37.60)        | -72.57        |
| REITs                           | 2.20            | 0.14          | 0.03            | 0.00          | (2.17)         | -98.85        |
| Infrastructure Funds            | 8.43            | 0.54          | 8.46            | 0.56          | 0.03           | 0.39          |
| Real Estate                     | 125.23          | 8.04          | 125.68          | 8.25          | 0.44           | 0.35          |
| Private Equity Funds            | 13.75           | 0.88          | 14.79           | 0.97          | 1.04           | 7.56          |
| Cash & Other Assets             | 18.89           | 1.21          | 2.79            | 0.18          | (16.10)        | -85.25        |
| <b>Net Asset Value</b>          | <b>1,557.37</b> | <b>100.00</b> | <b>1,522.75</b> | <b>100.00</b> | <b>(34.61)</b> | <b>-2.22</b>  |

The CPFA portfolio presented a more diversified asset allocation structure than the RSA Funds portfolio. This is largely attributed to the significant real estate and foreign investments portfolio under the Management of the CPFAs.

### 2.3.5.2 Portfolio Analysis

#### 2.3.5.3 Sources of Portfolio Growth/ Diminution

The main sources of decline of the CPFA funds in 2021 were Net unrealized losses of ₦118.71. Other components of growth for the CPFA funds such as investment income and contributions were relatively stable compared to their 2020 values as shown in Table 34 below:

Table 34: Sources of CPFA Portfolio Growth for the Year 2021

| S/N | Asset Classes                           | 2020                | 2021                | Variance<br>between 2020<br>& 2021 |
|-----|-----------------------------------------|---------------------|---------------------|------------------------------------|
|     |                                         | Amount ₦<br>Billion | Amount ₦<br>Billion |                                    |
| 1   | Net Inflow of Funds                     |                     |                     |                                    |
| 1.1 | Contributions                           | 60.55               | 71.86               | 11.32                              |
| 2   | Investment Income                       | <b>122.03</b>       | <b>120.24</b>       | <b>(1.79)</b>                      |
| 2.1 | Interests/Coupons                       | 98.68               | 108.90              | 10.22                              |
| 2.2 | Dividends/ Other Income                 | 5.73                | 18.70               | 12.97                              |
| 2.3 | Net Realized Gains/ (Losses)            | 13.20               | (13.35)             | (26.55)                            |
| 2.4 | Rental Income/ Revaluation Surplus      | 4.42                | 5.99                | 1.57                               |
| 3   | Net Unrealized Gains/ (Losses)          | 154.99              | (118.71)            | (273.70)                           |
| 4   | Foreign Exchange Gains/Losses           | 35.89               | 5.81                | (30.08)                            |
| 5   | Benefits Paid                           | (78.76)             | (104.65)            | (25.89)                            |
| 6   | Asset/Income Based Fees (VAT Inclusive) | (4.10)              | (4.25)              | (0.15)                             |
| 7   | Others                                  | (2.46)              | (4.91)              | (2.45)                             |
|     | <b>Total</b>                            | <b>288.13</b>       | <b>(34.61)</b>      | <b>(322.74)</b>                    |

#### 2.3.5.4 Review of Asset Classes

#### 2.3.5.5 Ordinary Shares

Investments in Ordinary Shares comprised Domestic Equities of ₦34.13 billion and Foreign Equities of ₦122.43 billion. Domestic and Foreign Equities accounted for 10.28% of the total pension assets under the management of CPFAs.

The domestic equity portfolio had investments in the following sectors: Financial Services (36.95%), Consumer Goods (25.17%), Industrial Goods (16.06%) and Telecommunication (14.47%). Other subsectors were Agriculture (3.82%) and Oil & Gas (2.35%).

The sectoral allocation of the CPFA Funds investments in domestic equities is presented in Figure 4 below.

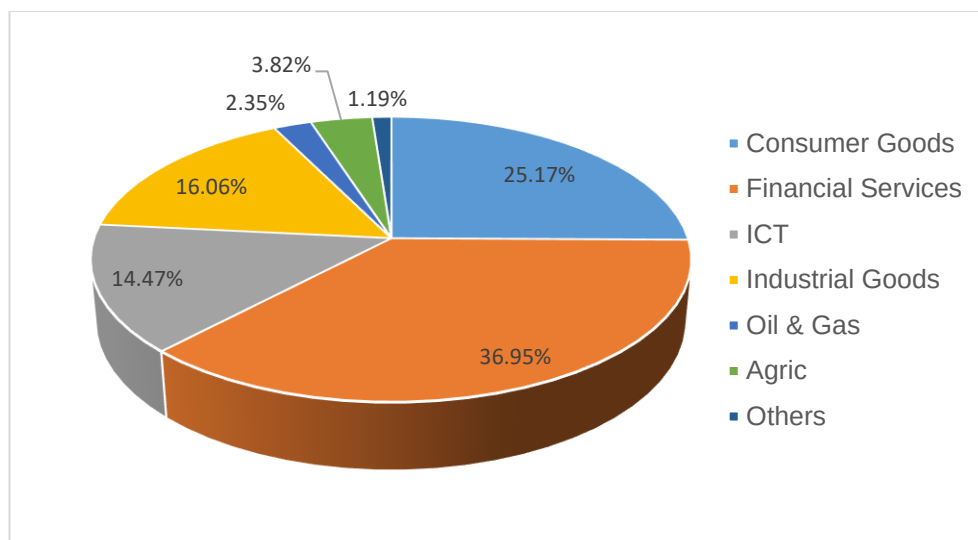


Figure 6: Sectoral Allocation of CPFA Funds Investments in Domestic Equities as at 31 December 2021

### 2.3.5.6 Federal Government Securities

The CPFAs had total investment of ₦846.66 billion in FGN securities out of which, 97.34% were in FGN bonds as showed in Table 35 below:

Table 35: Investments of CPFA Funds in FGN Securities

| Asset Class    | Mkt Value<br>₦ Billion | Weight (%)    |
|----------------|------------------------|---------------|
| FGN Bonds      | 779.87                 | 92.11         |
| Treasury Bills | 22.48                  | 2.65          |
| Agency Bonds   | 0.60                   | 0.07          |
| Sukuk          | 0.60                   | 0.07          |
| Green Bonds    | 43.13                  | 5.09          |
| <b>Total</b>   | <b>846.66</b>          | <b>100.00</b> |

In terms of tenure of the investments in FGN securities, CPFAs maintained their medium to long-term maturity profile of 2020 as most of the investments were in the long end of the market. The value of investments in this asset class increased in 2021 due to additional investments in FGN bonds at an average yield of 10.22%. Table 36 below provides maturity profile of CPFA FGN Bonds:

Table 36: Maturity Profile of FGN Bonds Held by CPFAs

| <b>Term to Maturity</b> | <b>Mkt Value<br/>₦ Billion</b> | <b>Weight (%)</b> |
|-------------------------|--------------------------------|-------------------|
| Below 3years            | 39.78                          | 5.10              |
| 3years – 5years         | 131.83                         | 16.90             |
| 5years-10years          | 199.22                         | 25.55             |
| Above 10years           | 409.03                         | 52.45             |
| <b>Total</b>            | <b>779.87</b>                  | <b>100.00</b>     |

### 2.3.5.7 State Government Securities

State government securities accounted for 1.23% of the total pension portfolio of CPFAs. The increase in investments of CPFA funds in state government securities was due to additional investments in the 13% Lagos State Series IV 2031 bonds. All investments in state government securities across CPFAs were in Lagos state government bonds as shown in Table 37 below:

Table 37: Investments in State Government Bonds by CPFA as at 31 December 2021

| <b>State Government</b>          | <b>Coupon<br/>Rate</b> | <b>Term to<br/>Maturity<br/>(years)</b> | <b>Maturity<br/>Date</b> | <b>Mkt Value<br/>₦ Billion</b> | <b>Weight<br/>(%)</b> |
|----------------------------------|------------------------|-----------------------------------------|--------------------------|--------------------------------|-----------------------|
| Lagos State Series III           | 0.12                   | 9.08                                    | Jan-30                   | 2,950.89                       | 15.77                 |
| Lagos Series II Tranche III      | 0.13                   | 3.61                                    | Dec-31                   | 6,323.51                       | 33.78                 |
| Lagos State Series II Tranche IV | 0.16                   | 6.61                                    | Aug-27                   | 9,443.32                       | 50.45                 |
| <b>Total</b>                     |                        |                                         |                          | <b>18,717.71</b>               | <b>100.00</b>         |

### 2.3.5.8 Corporate Debt Securities

The CPFA pension portfolio as at 31 December 2021 had Corporate Debt Securities valued at ₦206.66 billion which was equivalent to 13.57% of the portfolio. The investments in dollar denominated corporate bonds represented 84.42% of the corporate debt portfolio of CPFAs as at reporting date.

### **2.3.5.9 Money Market Instruments**

Investments in money market instruments amounting to ~~N~~128.20 billion were in domestic money market instruments (93.40% of total portfolio) and offshore money market instruments (6.60%).

### **2.3.5.10 Domestic Money Market Instruments**

CPFAs investments in domestic money market instruments of ~~N~~118.97 billion, comprised bank placements with the following significant exposures to banks: Access bank (32.47%), Ecobank Bank Plc (19.57%), Coronation Merchant Bank (15.35%) and Fidelity Bank (14.09%).

### **2.3.5.11 Foreign Currency**

Foreign Money Market investments of ~~N~~9.23 billion represented investment in Black Rock Cash Management Fund and was the only investment in foreign money market instruments by CPFAs.

### **2.3.5.12 Real Estate Properties**

CPFAs had Real Estate Properties valued at ~~N~~125.68 billion in their portfolios which accounted for 8.25% of the total CPFA portfolio. The value of Real Estate Properties was fairly stable compared to 2020.

### **2.3.5.13 Mutual Funds/REITS**

Investments in Mutual Funds by CPFAs included investments in Open/Closed End funds (~~N~~14.21 billion) and Real Estate Investment Trust Schemes (~~N~~0.03 billion). The main investments in Mutual Funds were the Valualliance Value Fund (40.42%), Union UPDC REITS (19.31%) and REITs (19.04%)

### **2.3.5.14 Private Equity Fund**

The value of investments in Private equity funds made by CPFAs was ~~N~~14.79 billion and represented an increase of 0.09% over the 2020 valuation. The increase was attributed to capital calls on Capital Alliance Private Equity Fund IV managed by African Capital Alliance.

### **2.3.5.15 Infrastructure Funds**

Investment in Infrastructure Funds by CPFAs as at reporting date was ~~N~~8.46 billion. The investments were mainly in the Nigeria Infrastructure Debt Fund which accounted for 75% of the CPFA Funds investment in Infrastructure.

### 2.3.5.16 Cash & Other Assets

Cash and Other assets of ₦2.79 billion comprised matured tenured deposits awaiting re-investment, funds inflows from Scheme Sponsors awaiting deployment into allowable assets, as well as cash provisions to meet the liquidity requirements of the Funds for payment of monthly pension to retirees.

### 2.3.5.17 Portfolio Performance

Average annual return on CPFAs funds declined to 2.47% in 2021 compared to 19.64% in 2020. The return ranged between -8.32% and 10.70%, see Table 20 below for details. The decline in performance was attributed to significant unrealized losses on the bond portfolios of CPFAs who mostly fair valued the bond portfolio. The consolidated unrealized losses on bonds amounted to ₦118.71 million compared to unrealized gains of ₦154.99 million as shown in the table below:

Table 38: Return on Investments for CPFA Funds in 2021

| CPFA FUND | AGIP (%) | CHEVRON (%) | NESTLE (%) | POGRESS TRUST (%) | TOTAL (%) | SHELL (%) | AVERAGE (%) |
|-----------|----------|-------------|------------|-------------------|-----------|-----------|-------------|
| ROR 2021  | -0.08    | -0.01       | 0.11       | 0.07              | 0.09      | -0.02     | 0.02        |
| ROR 2020  | 0.33     | 0.18        | 0.11       | 0.16              | 0.15      | 0.25      | 0.20        |
| ROR 2019  | 0.23     | 0.20        | 0.13       | 0.17              | 0.14      | 0.19      | 0.18        |

## 2.3.6 Review of Approved Existing Schemes

### 2.3.6.1 General Overview

Asset allocation of the Approved Existing Scheme (AES) did not change significantly between 2020 and 2021. The AES funds maintained substantial investments in the following asset classes: FGN Securities (54.21%), Money Market Instruments (16.08%) Equities (7.67%) and Corporate Debt Securities (2.61%). Other asset classes accounted for 19.43% of the total AES pension assets.

Asset allocation of the Approved Existing Scheme is as presented in the table below:

Table 39: Portfolio of AES Funds as at 31 December 2021

| ASSET CLASSES                | 2020                   |               | 2021                   |               | VARIANCE            |               |
|------------------------------|------------------------|---------------|------------------------|---------------|---------------------|---------------|
|                              | Mkt Value<br>₦ Billion | Weight<br>(%) | Mkt Value<br>₦ Billion | Weight<br>(%) | Amount<br>₦ Billion | Weight<br>(%) |
| Domestic Ordinary Shares     | 104.45                 | 8.20          | 105.46                 | 7.80          | 1.01                | 0.97          |
| FGN Securities               | 757.32                 | 59.42         | 740.80                 | 54.82         | (16.51)             | -2.18         |
| State Government Securities  | 15.07                  | 1.18          | 16.16                  | 1.20          | 1.09                | 7.24          |
| Corporate Debt Securities    | 69.74                  | 5.47          | 82.59                  | 6.11          | 12.85               | 18.43         |
| Money Market Instruments     | 195.97                 | 15.38         | 252.90                 | 18.71         | 56.93               | 29.05         |
| Open/Close-End Funds         | 1.91                   | 0.15          | 84.04                  | 6.22          | 82.13               | 4305.30       |
| Real Estate Properties       | 114.18                 | 8.96          | 30.87                  | 2.28          | (83.31)             | -72.96        |
| Private Equity Funds         | 0.13                   | 0.01          | 0.05                   | 0.00          | (0.08)              | -60.76        |
| Infrastructure Funds         | 3.77                   | 0.30          | 4.45                   | 0.33          | 0.68                | 18.06         |
| Cash & Other Assets          | 12.01                  | 0.94          | 34.03                  | 2.52          | 22.02               | 183.27        |
| <b>Total AES Fund Assets</b> | <b>1,274.55</b>        | <b>100.00</b> | <b>1,351.36</b>        | <b>100.00</b> | <b>76.81</b>        | <b>6.03</b>   |

The following AES Funds accounted for 81.10% of the total AES Funds as 31 December 2021: NNPC Pension Scheme (43.69%), Exxon Mobil Pension Plan (17.82%), Nigeria Social Insurance Trust Fund (NSITF) (6.80%), CBN Pension Fund (6.50%) and Nigeria Ports Authority Superannuation Pension Scheme Fund (6.28%).

### 2.3.6.2 Portfolio Analysis

Total pension assets of the AES funds grew by ₦76.81 billion (6.03%) to ₦1.35 trillion as at 31 December 2021 compared to ₦1.27 trillion as at 31 December 2020. The breakdown of the sources of growth are as shown in the table below:

Table 40: Sources of Portfolio Growth for the AES Funds as at 31 December 2021

| S/N | Asset Classes                            | 2020             | 2021             | Variance between 2020 & 2021 |
|-----|------------------------------------------|------------------|------------------|------------------------------|
|     |                                          | Amount ₦ Billion | Amount ₦ Billion | Amount ₦ Billion             |
| 1   | Inflow of Funds                          |                  |                  |                              |
| 1.1 | Contributions                            | 107.59           | 101.83           | (5.76)                       |
| 2   | Investment Income                        |                  |                  |                              |
| 2.1 | Interests/Coupons                        | 110.99           | 114.44           | 3.45                         |
| 2.2 | Dividends                                | 4.32             | 8.05             | 3.72                         |
| 2.3 | Net Realized Gains/ (Losses)             | 3.42             | (4.78)           | (8.20)                       |
| 2.4 | Rental Income                            | 0.35             | 0.29             | (0.06)                       |
| 3   | Net Unrealized Gains/ (Losses)           | 19.70            | (56.23)          | (75.93)                      |
| 4   | Benefits Paid/ Transfers to Retiree Fund | (64.96)          | (77.76)          | (12.80)                      |
| 5   | Asset/Income Based Fees (VAT Inclusive)  | (9.46)           | (7.72)           | 1.74                         |
| 6   | Others                                   | (3.95)           | (1.30)           | 2.65                         |
|     | <b>Total</b>                             | <b>168.00</b>    | <b>76.81</b>     | <b>(91.19)</b>               |

**i. Inflow of Funds**

Inflow of funds into the AES funds decreased by ₦5.76 billion in 2021. NNPC with a contribution of ₦16.59 billion accounted for 16.29% of fund inflow.

**ii. Interest/Coupon Incomes**

The total interest/coupons received for the year amounted to ₦114.44 billion, which was slightly higher than the ₦110.99 billion received in 2020 as yields rose considerably in the later part of the year in the reporting period.

**iii. Dividends/ Net Realized Gains and Rental Income**

AES Funds recorded Net Realized Losses of ₦4.78 billion and a decline in Rental Income by ₦0.06 billion in the year 2021. However, dividends received in the reporting period increased by ₦3.72 billion as shown in Table 28 above.

**iv. Net Unrealized Gains and Losses**

Net unrealized losses on bonds and equity investments of the AES funds amounted to ₦56.23 billion. The net unrealized losses were attributed to the general decline in the prices of bonds in the fair valued bucket of the AES Funds.

**v. Asset/Income Based Fees**

Asset/Income based fees on AES funds was ₦7.72 billion for the year 2021. The increase was as a result of increase in the growth of the AES funds by ₦76.81 billion during the year 2021.

### 2.3.6.3 Review of Asset Classes

#### 2.3.6.4 Domestic Quoted Equities

The AES equity portfolio increased slightly to ₦105.46 billion as at 31 December 2021 from ₦104.45 billion as at 31 December 2020. The financial sector maintained its highest allocation (44.04%) of the AES equity portfolio. Other sectors with significant allocation were Consumer Goods (19.80%) and Industrial Goods 17.40%.

#### 2.3.6.5 Federal Government of Nigeria Securities

Investments in FGN securities was ₦709.10 billion and accounted for 54.21% of the total portfolio of AES pension assets. The investments were in FGN bonds (96.25%) and Treasury bills had only (3.75%). Furthermore, Table 41 showed that investments in FGN bonds were concentrated in the medium tenored bonds.

Table 41: Term to Maturity Profile of FGN Bonds

| S/N | Term to Maturity | Amount<br>₦ Billion | Weight (%)    |
|-----|------------------|---------------------|---------------|
| 1   | Below 3years     | 137.46              | 18.56         |
| 2   | 3years – 10years | 311.91              | 42.10         |
| 3   | Above 10years    | 291.44              | 39.34         |
|     | <b>Total</b>     | <b>740.80</b>       | <b>100.00</b> |

#### 2.3.6.6 State Government Securities

Bonds issued by Lagos state government accounted for 100% of the state government portfolio valued at ₦16.16 billion as at 31 December 2021.

#### 2.3.6.7 Corporate Debt Securities

Corporate debts securities valued at ₦82.59 billion accounted for 6.11% of the AES portfolio. The decrease in the value of investments in corporate debt securities was attributed to maturities of some investments in this asset class.

#### 2.3.6.8 Money Market Securities

Money Market Securities increased by 29.05% in 2021 and represented 18.71% of the total AES portfolio. The investments were distributed between Bank Placements 85.21% and Commercial Papers 14.79%. Banks with significant pension fund investment included: Access Bank Nigeria Plc (18.99%), Guaranty Trust Bank Plc (10.61%) and Wema Bank (6.75%).

### 2.3.6.9 Mutual Funds

Pension funds investment in Mutual Funds amounted to ~~N~~84.04 billion (6.22%). The funds in ValuAlliance Value Mutual Fund accounted for 43.19% of investments in Mutual Funds.

### 2.3.7 Market Structure of the RSA Funds

The distribution of RSA Funds I-V across PFAs as shown in Table 30 below indicates that 10 PFAs accounted for 87.01% of the total RSA pension assets. Stanbic IBTC maintained the highest share of RSA Funds (37.12%). Other PFAs with high market share included Arm (8.55%), Premium Pensions (7.24), NPF (6.86%) and Trustfund (6.22%). The market share of PFAs was stable, compared to 31 December 2020.

Details of the other PFA market shares of RSA funds are highlighted in the table below:

Table 42: PFA's Market Share of RSA Fund as at 31 December 2021

| S/N | PFA                | Net Asset Value<br>₦ Billion | Weight (%)    |
|-----|--------------------|------------------------------|---------------|
| 1   | Stanbic IBTC       | 3,926.74                     | 37.37         |
| 2   | ARM                | 916.08                       | 8.72          |
| 3   | Premium            | 764.15                       | 7.27          |
| 4   | NPF Pensions       | 701.07                       | 6.67          |
| 5   | Trustfund Pensions | 637.93                       | 6.07          |
| 6   | Leadway Pensions   | 541.73                       | 5.16          |
| 7   | Sigma Pensions     | 499.55                       | 4.75          |
| 8   | Pal                | 473.64                       | 4.51          |
| 9   | Crusader           | 338.12                       | 3.22          |
| 10  | NLPC               | 317.86                       | 3.03          |
| 11  | FCMB               | 305.67                       | 2.91          |
| 12  | First Guarantee    | 259.76                       | 2.47          |
| 13  | AIICO              | 147.42                       | 1.40          |
| 14  | Oak                | 124.48                       | 1.18          |
| 15  | APT                | 105.80                       | 1.01          |
| 16  | Fidelity           | 102.20                       | 0.97          |
| 17  | Veritas Glanvills  | 101.70                       | 0.97          |
| 18  | NUPEMCO            | 100.00                       | 0.95          |
| 19  | IEI-Anchor         | 73.78                        | 0.70          |
| 20  | Tangerine          | 42.71                        | 0.41          |
| 21  | Investment one     | 22.11                        | 0.21          |
| 22  | Radix              | 5.14                         | 0.05          |
|     | <b>TOTAL</b>       | <b>10,507.63</b>             | <b>100.00</b> |

### 2.3.8 Administrative Sanctions and Violations

Pension Operators substantially complied with the provisions of the Regulation on the Investment of Pension Assets in the review period. However, four PFAs paid ~~N~~520.12 million in administrative sanctions for various infractions detailed below:

Table 43: Schedule of Administrative Sanctions

| S/N          | PFA                | Infraction                                                                        | Date of Sanction | Amount Million |
|--------------|--------------------|-----------------------------------------------------------------------------------|------------------|----------------|
| 1            | Crusader Sterling  | Suboptimal Investments of rates below 1% of the entire GTBank Staff Gratuity Fund | 31-Oct- 21       | 250.09         |
| 2            | Tangerine Pensions | Suboptimal Investments of rates below 1% of the entire GTBank Staff Gratuity Fund | 31-Jul- 21       | 242.53         |
| 3            | NLPC               | Sale of 2 million shares of GTBank Stocks at loss of N7.50m in the WAEC Fund      | 30- Jun-21       | 7.50           |
| <b>Total</b> |                    |                                                                                   |                  | <b>520.12</b>  |

## 2.3.9 Other Important Issues of Note

### 2.3.9.1 Operational Framework on Non-Interest Fund

The Commission had issued the Operational Framework on Non-interest Fund to establish standards and the procedure for the management of Fund VI by licensed PFAs as provided in Section 7.3 of the Regulation for Investment of Pension Fund Assets.

Furthermore, modalities for the establishment of Pension Industry Non-Interest Advisory Committee (PINAC) has been released.

### 2.3.9.2 Guidelines on Equity Contribution for Payment of Residential Mortgage by Retirement Savings Account Holders

The Commission is working on developing the Guidelines on Equity Contribution for Payment of Residential Mortgage by Retirement Savings Account Holders. The draft Guidelines has been exposed to key stakeholders for comments and inputs.

### 2.3.9.3 Fee Structure on Micro Pension Plan

The Commission has issued a circular for the implementation of the revised fee structure of the Micro-Pension Fund (MP). The fee on MP Fund was reviewed from 7.5% income based fees to a hybrid of income and asset based fees based on graduated Net Assets Value of the MP Fund. The objective of the review was to define a fee structure that is commensurate with the risk and cost structure of the MP Fund.

## 2.4 Payment of Retirement Benefits

### 2.4.1 Payment of Retirees Through Programmed Withdrawal

The Commission granted approval to 27,843 requests for payment of retirees' pension through the Programmed Withdrawal mode. Accordingly, the retirees received a total lumpsum of ~~N~~96.38 billion while ~~N~~1.34 billion was programmed as monthly pension.

Cumulatively, the total number of retirees on Programmed Withdrawal stood at 296,986 from inception to 31 December, 2021 while the cumulative lumpsum and monthly pension paid to the retirees from inception to 31 December, 2021 was ₦809.46 billion and ₦12.76 billion, respectively. Details of the payment of retirement benefits through the PW is shown in Table 44 below.

Table 44: Payment of Retirement Benefits through Programmed Withdrawal

| Period                      | Number of Retirees |               |                |                | Retirement Benefits Paid  |                     |
|-----------------------------|--------------------|---------------|----------------|----------------|---------------------------|---------------------|
|                             | FGN                | State         | Private        | Total          | Mthly Pension (N Billion) | Lumpsum (N Billion) |
| Inception - 31 Dec . 2020   | 147,140            | 25,765        | 96,238         | 269,143        | 11.42                     | 713.08              |
| January - December 31, 2021 | 4,093              | 4,714         | 19,036         | 27,843         | 1.34                      | 96.38               |
| <b>Total</b>                | <b>151,233</b>     | <b>30,479</b> | <b>115,274</b> | <b>296,986</b> | <b>12.76</b>              | <b>809.46</b>       |
| % of total retirees         | 50.92              | 10.26         | 38.81          | 100.00         |                           |                     |

As shown in Table 44 above, the sums of ₦96.38 billion and ₦1.34 billion were paid as total lump sum and monthly pension, respectively during the year 2021. The cumulative monthly Programmed Withdrawal from inception to 31 December 2021 therefore amounted to ₦12.76 billion while the cumulative lump sum paid stood at ₦809.46 billion as at 31 December, 2021.

## 2.4.2 Payment of Retirees Through Annuity

During the year, 9,220 retirees who opted for Life Annuity received a total sum of ₦29.35 billion as lump sum while a total sum of ₦60.02 billion was paid as premium to insurance companies in exchange for monthly Annuity receipts of ₦610 million as shown in Table 45 below.

Table 45: Payment of Retirement Benefits through Retiree Life Annuity

| Period               | Number of Retirees |               |               |               | Mthly Annuity (N Billion) | Lumpsum (N Billion) | Premium (N Billion) |
|----------------------|--------------------|---------------|---------------|---------------|---------------------------|---------------------|---------------------|
|                      | FGN                | State         | Private       | Total         |                           |                     |                     |
| Inception -Dec. 2020 | 49,368             | 10,494        | 23,706        | 83,568        | 4.62                      | 127.62              | 464.53              |
| January - Dec. 2021  | 2,608              | 826           | 5,786         | 9,220         | 0.61                      | 29.35               | 60.02               |
| <b>Total</b>         | <b>51,976</b>      | <b>11,320</b> | <b>29,492</b> | <b>92,788</b> | <b>5.23</b>               | <b>156.97</b>       | <b>524.55</b>       |
| % of total retirees  | 56.02              | 12.20         | 31.78         | 100.00        |                           |                     |                     |

The total number of retirees on Annuity increased from 83,568 in 2020 to 92,788 as at 31 December 2021. A breakdown of the total number of retirees showed that the FGN retirees accounted for 51,976 (56.02%), the States Government retirees accounted for 11,320 (12.20%) while the private sector retirees accounted for 29,492 (31.78%). The cumulative Monthly Annuity being received by retirees from inception to 31 December

2021 was ~~N~~5.23 billion, after the receipt of cumulative lump sum of ~~N~~156.97 billion. The total premium transferred to Insurance Companies from inception to 31 December, 202 stood at ~~N~~524.55 billion.

### 2.4.3 En bloc Payment to Retirees

During the year, approval was granted for en bloc payment of RSA balances amounting to ~~N~~2.16 billion for 8,630 retirees. These retirees had very low RSA balances that could not be paid either by Programmed Withdrawal or Annuity periodic payment following their retirement. This brought the cumulative en bloc payment to ~~N~~32.66 billion to 129,935 retirees from inception to 31 December 2021.

Table 46: En-bloc Payment

| Period                | Number of Retirees |              |                |                | Amount<br>(N Billion) |
|-----------------------|--------------------|--------------|----------------|----------------|-----------------------|
|                       | FGN                | State        | Private        | Total          |                       |
| Inception - Dec. 2020 | 6,974              | 4,017        | 110,314        | 121,305        | 30.5                  |
| January - Dec. 2021   | 182                | 30           | 8,418          | 8,630          | 2.16                  |
| <b>Total</b>          | <b>7,156</b>       | <b>4,047</b> | <b>118,732</b> | <b>129,935</b> | <b>32.66</b>          |
| % of Total Retirees   | 5.51               | 3.11         | 91.38          | 100.00         |                       |

As depicted in Table 46, the number of retirees paid en-bloc increased from total from 121,305 in 2020 to 129,935 as at 31 December 2021. A breakdown of the total number of retirees showed that the FGN retirees accounted for 7,156 (5.51%), the States Government retirees accounted for 4,047 (3.11%) while the private sector retirees accounted for 118,732 (91.38%). The cumulative enbloc payment also increased slightly from ~~N~~30.50 billion as in December 2020 to ~~N~~32.66 billion as at 31 December 2021.

### 2.4.4 Payment of Death Benefits

The sum of N42.83 billion was paid as death benefits during the year to the legally named beneficiaries of 8,327 deceased employees and retirees of the FGN, State and Private Organizations. This brought the cumulative payment of death benefits to N268.72 billion for beneficiaries of 75,979 deceased employees and retirees from inception to 31 December 2021 as shown in Table 47 below.

Table 47: Payment of Death Benefits

| Period                        | Number of Deceased Employees |              |               |               | Amount<br>(N<br>Billion) |
|-------------------------------|------------------------------|--------------|---------------|---------------|--------------------------|
|                               | FGN                          | State        | Private       | Total         |                          |
| Inception - Dec. 2020         | 44,761                       | 6,917        | 15,974        | 67,652        | 225.89                   |
| January - Dec. 2021           | 4,783                        | 828          | 2,716         | 8,327         | 42.83                    |
| <b>Total</b>                  | <b>49,544</b>                | <b>7,745</b> | <b>18,690</b> | <b>75,979</b> | <b>268.72</b>            |
| % of Total Deceased Employees | 65.21                        | 10.19        | 24.6          | 100.00        |                          |

#### 2.4.5 Withdrawal of 25% of RSA Balance

This represented temporary access to RSAs for withdrawal of 25% of RSA balances to employees who were disengaged, resigned or retired from employment before the age of 50 years and had not secured another employment after 4 months.

During the year, approvals were granted for the payment of ₦20.86 billion to 40,858 RSA holders as shown in Table 48 below.

Table 48: Payment of 25% to RSA Holders

| Period                | Number of Retirees |              |                |                | Amount<br>(N' billion) |
|-----------------------|--------------------|--------------|----------------|----------------|------------------------|
|                       | FGN                | State        | Private        | Total          |                        |
| Inception - Dec. 2020 | 9,306              | 7,744        | 355,071        | 372,121        | 139.87                 |
| January - Dec. 2021   | 2,445              | 2            | 38,411         | 40,858         | 20.86                  |
| <b>Total</b>          | <b>11,751</b>      | <b>7,746</b> | <b>393,482</b> | <b>412,979</b> | <b>160.73</b>          |
| % of total Retirees   | 2.85               | 1.88         | 95.28          | 100.00         |                        |

The above table shows that employees of the Federal and State Governments accounted for 11,751 (2.85%) and 7,746 (1.88%) cases of those who accessed 25% of RSA balances respectively. Private Sector employees accounted for 393,482 cases. Cumulatively, 412,979 RSA holders had accessed 25% of their RSA balances due to temporary loss of jobs, as at 31 December 2021.

#### 2.4.6 Update on the Implementation of Minimum Pension Guarantee (MPG)

The Commission had determined the financial implication and other modalities for the successful implementation of the Pension Protection Fund (PPF). These processes were preparatory to concluding the requisite Framework and Guidelines for the eventual implementation of the Minimum Pension Guarantee (MPG). In the meantime, the Commission and LPFOs have commenced setting aside the PPF Levy. Meanwhile, the PFAs had continued to pay monthly pension to retirees whose RSAs were already depleted from their portion of the MPG Levy which had already been set aside, prior to the implementation of the MPG.

## **PART THREE**

### **3.1 OUTLOOK OF THE PENSION INDUSTRY**

#### **3.1.1 Overview of 2021**

Nigeria's economy recovered from its economic recession in Q4 2020 following two consecutive quarters of negative movement in the country's GDP as growth resumed in 2021 as pandemic restrictions were eased, oil prices recovered, and the authorities implemented policies to counter the economic shock.

However, the economy still highly vulnerable to the global economic disruption caused by COVID-19, particularly due to the decline in oil prices. Oil accounts for over 80 percent of exports, a third of banking sector credit, and half of government revenues. In 2018, 40% of Nigerians (83 million people) lived below the poverty line, while another 25% (53 million) were vulnerable. The number of Nigerians living below the international poverty line is expected to rise by 12 million in 2019–23. This portends that struggled to reach pre-pandemic levels in 2021 on the back of galloping inflationary pressure, rising unemployment rate, surging debt profile amongst others.

As part of its COVID-19 response, the government carried out long-delayed policy reforms in 2020. Notably, it: (i) began to harmonize exchange rates; (ii) initiated reforms to eliminate gasoline subsidies; (iii) adjusted electricity tariffs to more cost-reflective levels; (iv) cut non-essential spending; and (v) enhanced debt management and increased transparency in the public sector, especially for oil and gas operations.

The COVID-19 crisis continues to disrupt Nigeria's labor market. While it now exceeds pre-pandemic levels, improvements have been primarily due to workers turning to small-scale, non-farm enterprise activities in retail and trade, the revenues of which remain precarious.

Nigeria's economic outlook remains highly uncertain. Uncertainty around the pace of vaccinations and the duration of COVID-19 persists. Moreover, the modest projected recovery can be threatened by volatility in the oil sector, including an unexpected shock to oil prices, and weaknesses in the financial sector. Even in the most favorable global context, the policy response of Nigeria's authorities will be crucial to lay the foundation for a robust recovery.

While Nigeria has made some progress in socio-economic terms in recent years, its human capital development ranked 150 of 157 countries in the World Bank's 2020 Human Capital Index. The country continues to face massive developmental challenges, including the need to reduce the dependency on oil and diversify the

economy, address insufficient infrastructure, build strong and effective institutions, as well as address governance issues and public financial management systems.

Inequality, in terms of income and opportunities, remains high and has adversely affected poverty reduction. The lack of job opportunities is at the core of the high poverty levels, regional inequality, and social and political unrest. High inflation has also taken a toll on household's welfare and high prices in 2020 are likely to have pushed an additional 7 million Nigerians into poverty in 2020.

The year 2021 can be regarded as a tough economic year for the African giant given the less than desired macro numbers printed in the review year. Although, it is worth noting that Nigeria recovered from its economic downturn faster than anticipated, posting 0.11% real growth in Q4 2020, to overturn negative numbers recorded in Q2 and Q3 2020. As we embark on the new year, recounts the factors that paint 2021 as an economic failure for the country.

### *Development Challenges*

#### *Continuing exchange rate quagmire*

Nigeria's official exchange rate depreciated by 6.03% in 2021, closing at N435/\$1 on the last day of the year, despite averaging at N410.3/\$1 for the year. Naira faces the risk of a further devaluation after it depreciated by 4.82% on the 30th December 2021, likely repeating the events that played out in the previous year.

The official exchange rate on the last trading day of 2020, depreciated by 4.12% to close at N410.25/\$1, which indeed indicated the rate for the year. This implies that the official rate could be on its way to the region of N435 to a dollar.

On the flip side, the parallel market also recorded significant depreciation as the naira closed at N565/\$1 for the year, representing a fall of 22.8% against the US dollar. The continuous volatility at the black market further widened the market differential to N140.74 from just N49.75 in the previous year.

The Central Bank of Nigeria continues to intervene in the Investors & Exporters window to ensure the stability of the local currency, with over \$32 billion traded in the year. However, the pressure from negative trade balance, decline in diaspora remittances, dwindling capital inflow, drop in crude export amongst others, is persistently mounting pressure on the exchange rate.

#### *FG revenue problem*

In time past, Nigeria's problems have been attributed to low revenue rather than over-spending. This issue is still not looking green owing to the underperformance of the federal government's oil revenue purse.

As of May 2021, FGN's retained revenue was N1.84 trillion, which was 33.3% lower than the prorated figure of N2.77 trillion. This was largely due to the performance of the oil revenue as of the review period.

Notably, oil revenue was estimated at N423 billion, representing just 50.5% performance rate compared to the prorated figure of N837.9 billion. On the other hand, non-oil revenue only marginally fell below the prorated target with CIT and VAT surpassing targets by 2.4% and 24.7% respectively.

Nigeria's oil revenue is still likely to suffer from shortages, with the country unable to meet the OPEC+ production quota and petrol subsidy still gulping a significant amount of our scarce income.

### *Unemployment rate at 33%*

In March 2021, the National Bureau of Statistics (NBS), released the labour force report for Q4 2020, which spelt more woes for the country with unemployment rate estimated at 33.3%, indicating that at least 23 million Nigerians were without jobs.

Unemployment has been a topical issue in the Nigerian economy, however, at 33.3%, it represents the highest rate on record. As if the surging rate is not enough, the nation's labour force population reduced by over 10 million to 69.7 million as of Q4 2020.

In the same vein, the number of full-time employed citizens dropped by 14% from 35.6 million recorded as of Q2 2020 to 30.6 million people as of the end of the year. The surging rate reflects how much Nigerians are losing their jobs and many more people falling out of the labour force bracket.

Recall that during the covid-19 lockdown in 2020, several businesses were forced to halt their operations during the period, which led to some of these firms downsizing, while some workers were forced to accept pay-cut to hold on to their jobs. The situation is also reflected in the Q4 2020 labour report, as Nigerian businesses were yet to recover from the lockdown as of the time of releasing the report.

### *Gross Domestic Product (GDP)*

The Nigerian economy grew by 0.51%, 5.01%, and 4.03% in Q1, Q2, and Q3 2021 respectively, indicating a recovery from the two consecutive contractions recorded in the previous year. The significant growth recorded in the year under review was however due to favourable base period.

The GDP is compared to the corresponding quarter in the previous year, and we could recall that Nigeria's real GDP dipped by 6.1% in the second quarter of 2020, which birthed the 5.01% growth in Q2 2021, while a 3.62% contraction in Q3 2020 resulted in a 4.03% growth in Q3 2021.

Meanwhile, the growth was attributed to the performance of the non-oil sector, with the telecommunications and trade sector of the economy printing stellar performances.

### *Galloping inflation rate*

Nigeria's galloping inflationary pressure from 2020 extended into 2021, with headline inflation surging to 18.17% in March 2021, representing the highest monthly inflation rate since January 2017 when the CPI increased by 18.72%.

The uptick in the inflation rate was attributed to the surge in transport costs, medical services, as well as continuous disruption in the food supply chain. Despite significant intervention by the federal government through the Central Bank of Nigeria to the agricultural sector, there is still a huge food supply gap in the country.

Notably, food inflation crossed the 20% threshold in the year, hitting a high of 22.95% in March 2021, while core inflation in the same period stood at 12.74%. It is, however, worth noting that the inflation rate has witnessed significant moderations in the year, largely due to baseline effects.

The latest CPI report by the NBS for November 2021 saw headline inflation trickled down to 15.4%, the lowest recorded yet in the year 2021

Increased debt profile (N38 trillion)

Nigeria's public debt profile as of Q3 2021 surged to N38 trillion from N35.47 trillion recorded in the preceding quarter (Q2 2021). The debt profile of Nigeria continues to witness significant increase both from domestic and foreign sources.

For example, Nigeria's external debts rose to \$37.96 billion in Q3 2021 from \$33.47 billion, which was recorded in the previous quarter, an increase largely due to the \$4 billion Eurobond secured by the federal government from the international debt market.

In the same manner, domestic debts also reached \$54.67 billion in the same period, increasing by 3% from \$53.1 billion recorded in Q3 2021. A further analysis of the debt report by the Debt Management Office (DMO), indicates that Nigeria has acquired at least \$6.23 billion new loans so far in the year as of Q3 2021.

While debt profile has witnessed significant increase in the review period, debt service cost has also gulped a significant portion of the country's scarce income. According to the data tracked by Nairametrics Research, Nigeria has paid N1.74 trillion and \$1.82 billion as domestic and external debt service costs respectively between January and September 2021.

### *Continuous negative trade balance*

Foreign trade deficit is an undesirable outcome in any economy and Nigeria has recorded huge trade deficits in recent time, spanning through from Q4 2019 to Q3 2021. Trade deficit, otherwise known as negative trade balance, occurs when a country's import value surpasses their export income.

Nigeria's foreign trade balance worsened in 2021, triggered by a significant surge in import bill, especially in the third quarter of the year. According to data from the NBS, Nigeria's import bill skyrocketed by 51.1% year-on-year to N8.15 trillion in Q3 2021, representing the highest on record.

In as much as import is increasing, it would have been ideal if the export value is also increasing in the same fashion, unfortunately, Nigeria's export income is below commendable levels, as the country is still unable to meet oil production quota, which is the highest source of export earnings.

The implication of the continuous trade deficit is that it has also affected the country's balance of payment account, hereby causing more pressure on the exchange rate. Notably, the official exchange rate at the Investors and Exporters (I&E) window depreciated by 6.03% to close the year at N435/\$1 while a 22.8% depreciation was recorded at the parallel market to close at N565/\$1.

#### *Living on borrowed reserves*

Nigeria's foreign reserve gained \$5.15 billion in 2021 to close at \$40.52 billion as of 30th December 2021 compared to \$35.37 billion recorded as of the end of the previous year. The boost can be attributed to the \$4 billion Eurobond, which was secured by the federal government in September 2021.

Since, the reserve level surpassed \$41.8 billion in October, it has continued downwards, thereby losing \$1.3 billion in two months. The increase in the country's reserve could also be attributed to the \$3.35 billion IMF facility under the Special Drawing Rights (SDRs).

Despite Nigeria currently boasting of an external reserve in excess of \$40 billion, the fact remains that it was funded by more borrowings, which at some point in the future would be paid back, and with interest.

#### *Declining foreign investment*

Another source of forex inflow for Nigeria apart from the exportation of crude substance is attracting foreign investments, especially through FDIs (Foreign Direct Investment). Nigeria was faced with a huge capital inflow problem in 2021, attributed to the downturn in most areas of the economy.

According to data from the National Bureau, FDIs and FPIs (Foreign remained low in the first and second quarter of 2021, following abysmal numbers recorded in 2020 during the pandemic. Nigeria recorded foreign portfolio investments of \$551 million and direct investments at \$77.97 million, both significantly lower compared to pre-pandemic levels.

It is hoped that Nigeria will be able to attract significant inflows in form of investments in the new year following the kick-off of the Petroleum Industry Act (PIA), and recovery from the pandemic effect in 2020.

#### *Stock market underperformance*

The Nigerian stock market posted a 6.07% gain in the review year, failing to consolidate on the stellar performance printed in the previous year (50% gain). A 6.07% rate of returns in the stock market, is significantly below the country's inflation rate, which is still comfortably in the double-digit region.

The stock market, which houses most of the major corporations in the country, recorded a performance of two halves during the year, with a bearish first half, which was later overturned in the second half.

It is worth noting, that the stock market is a good medium to attract foreign portfolio investors, which could, in turn, be of great advantage to the nation's liquidity. Unfortunately, the local bourse was unable to capitalise on its previous year's success.

### *Covid-19*

A summary of the events that unfolded in 2021 will be incomplete without talking about the continuous spread of the covid-19 disease, which hit its fourth wave in December 2021. A total of 154,774 new cases of the disease were recorded in 2021, which is more than double the 87,567 cases recorded in the previous year.

Similarly, total number of deaths skyrocketed by over 100% to 3,031 compared to 1,289 cases recorded as of the end of 2020. The turn of events has moved the number of patients currently treating covid-19 in the country to a record 25,014 people.

### *Bottomline*

The year 2021, was quite eventful with ups and downs, which we hope would be better in the new year. The monetary policy voted to hold rates throughout the year in a bid to ensure economic growth, the federal government also increased the budget earmarked for the year in a bid to spur growth.

The Central Bank incentivised the withdrawal of dollar from official channels, also it discontinued the sales of forex to BDC operators in the country. It will be interesting to see how some of these monetary and fiscal policies will reflect on the macro numbers in 2022.

### **3.1.2 Fixed Income & Equity Market**

Yields on Fixed Income securities across all tenors contracted significantly in 2020 due to increased system liquidity associated with dearth of investible funds, lower offerings by the Debt Management Office and monetary policy actions targeted at stimulating growth in the domestic economy. The Central Bank of Nigeria (CBN) had adjusted the Monetary Policy Rate to 11.50% in December 2020 from 13.50% in December 2019. Similarly, yields on Nigerian Treasury Bills declined to sub 1% levels while the six-month rate on bank placement declined to 2.65% from 7.48% during the period.

The combination of decline in commodity prices and foreign exchange reserves, increased exchange rate and the expansionary monetary policy resulted in high inflationary pressures as year-on-year inflation was 15.75% compared to 11.98% in December 2019. In the equity market, significant improvement was recorded during the year as the NSE All Share Index appreciated by 50.03% in 2020, compared to a depreciation of 14.60% in 2019. The early recovery signs by the equity market in Q1:2020 were moderated by the outbreak of the Coronavirus pandemic.

However, signs of recovery emerged in Q2:2020 through H1:2020 as countries began relaxing Covid-19 restriction measures. Low yields on fixed income securities attributed to attempts at stimulating growth by monetary authorities, which further attracted institutional and retail capital to the equity market.

### **3.2 Impact of the Pension Industry on the Nigeria Economy**

The Nigeria Pension industry maintained a positive growth trajectory as Net Assets Value of Pension Funds grew from ₦10.22 trillion in the preceding year to ₦12.31 trillion as at 31 December 2020. Major sources of growth were monthly pension contributions, return on investments as well as price appreciation of equities and bonds in the fair valued portfolio of the Funds. The funds were invested in different asset classes comprising FGN and State Government Securities, Ordinary Shares, Corporate Debt Instruments, local Money Market Securities, Supranational Bonds, Mutual Funds, Infrastructure and Private Equity Funds.

Allocation to Federal Government (FGN) securities was predominant during the year 2020. However, the industry's allocation to this asset class had declined to 66.64% relative to 71.90% as at 31 December 2019 and 72% as at 31 December 2018. Allocations to money market instruments, ordinary shares and corporate debt securities accounted for 13.97%, 7.72% and 6.13% of pension industry allocations respectively. Overall, the Net Asset Value of the Pension Industry represented 8.08% of GDP in 2020. This consolidated the position of the industry as a veritable source of medium to long term funding and relative stability in the Nigerian financial markets.

### **3.3 Pension Industry Outlook in 2021**

In the coming year, the Nigeria Pension Industry will build on the gains of the past year and focus on a five-prong strategic approach that steadily pursues and addresses identified gaps whilst creating more agile institutions with a culture that supports innovation and continuous improvement. In this regard, the industry would develop new capabilities to support increased diversification of Pension Fund Assets, expand coverage to States and the informal sector, vigorously pursue efforts aimed at reducing pension liabilities of the Federal Government, enhance public awareness campaign efforts, reach new heights in stakeholders' experience and improve the capacity of the pension industry personnel.

Net inflows of pension contributions which amounted to an average of ₦75 billion monthly is expected to rise mainly due to the ongoing efforts to expand pension coverage and the implementation of additional measures to recover outstanding pension contributions and accrued penalty charges from defaulting employers. These efforts had yielded substantial results during the year under review and are expected to continue in the coming year. The AuM over the last 5 years had grown at a Compounded Average Growth Rate (CAGR) of 17.52%, a trajectory which is expected to remain relatively stable as the COVID-19 lockdown measures gradually ease. However, the residual effects on the real sector, coupled with rising cases of insecurity and rapidly changing market dynamics would be central to shaping the pension industry in 2021.

## PART FOUR: ADDRESSES AND PROFILES OF PENSION OPERATORS

### 4.1 Contact Details of Pension Fund Operators

Table 49: Pension Fund Administrators

| <i>S/N</i> | <i>Name of Operator</i>            | <i>Managing Director</i> | <i>Address</i>                                                                               | <i>Phone No.</i> | <i>E-mail and Web Addresses</i>                                                                                                                                                              |
|------------|------------------------------------|--------------------------|----------------------------------------------------------------------------------------------|------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1          | AIICO Pension Managers Limited     | Eguarekhide J. Longe     | Plot 2, Oba Akran Avenue, Ikeja Lagos                                                        | 08157306868      | <a href="mailto:elonge@aiicopension.com">elonge@aiicopension.com</a><br><a href="http://www.aiicopension.com">www.aiicopension.com</a>                                                       |
| 2          | ARM Pension Managers (PFA) Limited | Wale Odutola             | 5, Mekunwen Road, Off Onyinkan Abayomi Drive Ikoyi, Lagos                                    | 08033048473      | <a href="mailto:wale.odutola@armpension.com">wale.odutola@armpension.com</a><br><a href="http://www.armpension.com">www.armpension.com</a>                                                   |
| 3          | Apt Pension Funds Managers Limited | Al-Mujtaba Abubakar Gumi | Federal Mortgage Bank House, Plot 266, Cadastral AO, Central Business District, Garki, Abuja | 08033146939      | <a href="mailto:gummia@aptpension.com">gummia@aptpension.com</a><br><a href="http://www.aptpensions.com">www.aptpensions.com</a>                                                             |
| 4          | Tangerine Pensions Limited         | Oladapo O. Akinsanya     | 21b Olosa Street, Victoria Island Lagos                                                      | 08034881902      | <a href="mailto:dapo.akinsanya@axamansard.com">dapo.akinsanya@axamansard.com</a><br><a href="http://www.axamansardpensions.com">www.axamansardpensions.com</a>                               |
| 5          | CrusaderSterling Pensions Limited  | Adeniyi Falade           | Plot 14B, Keffi Street Off Awolowo Way Ikoyi, Lagos                                          | 08058004953      | <a href="mailto:adeniyi.falade@crusaderpensions.com">adeniyi.falade@crusaderpensions.com</a><br><a href="http://www.crusaderpensions.com">www.crusaderpensions.com</a>                       |
| 6          | Fidelity Pension Managers Limited  | Amaka Andy-Azike         | 2 Adeyemo Alakija Street, Victoria Island, Lagos                                             | 08033257523,     | <a href="mailto:amaka.azike@fidelitypensionmanagers.com">amaka.azike@fidelitypensionmanagers.com</a><br><a href="http://www.fidelitypensionmanagers.com">www.fidelitypensionmanagers.com</a> |

Pension Fund Administrators (Cont'd)

| <b>S/N</b> | <b>Name of Operator</b>                  | <b>Managing Director</b>     | <b>Address</b>                                                                            | <b>Phone No.</b>           | <b>E-mail and Web Addresses</b>                                                                                                                                                        |
|------------|------------------------------------------|------------------------------|-------------------------------------------------------------------------------------------|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 7          | First Guarantee Pensions Limited         | Wilson Ideva                 | 38/40 Adebola House<br>Opebi, Ikeja Lagos                                                 | <b>08068552521</b>         | <a href="mailto:widva@firstguaranteepension.com">widva@firstguaranteepension.com</a><br><a href="http://www.firstguaranteepension.com">www.firstguaranteepension.com</a>               |
| 8          | Veritas Glanvills Pensions Limited       | Godson Ukpevo                | Plot 1698C & D Oyin Jolayemi<br>Street, V.Island, Lagos                                   | 08055103341                | <a href="mailto:gukpevo@vgpensions.com">gukpevo@vgpensions.com</a><br><a href="http://www.vgpensions.com">www.vgpensions.com</a>                                                       |
| 9          | IEI-Anchor Pension Managers Limited      | Glory Etaduovie              | No. 22 Otukpo Street<br>Off Gimbiya Street<br>Area 11, Garki, Abuja                       | 08034541500                | <a href="mailto:glory.etaduovie@ieianchorpensions.com">glory.etaduovie@ieianchorpensions.com</a><br><a href="http://www.ieianchorpensions.com">www.ieianchorpensions.com</a>           |
| 10         | Investment One Pensions Limited          | Hamisu Bala Idris            | Plot 871 Tafawa Balewa Way<br>Opposite NICON Luxury Hotel Area<br>11, Garki Abuja         | 08037024275                | <a href="mailto:Hamisu.idris@investment.onepension.com">Hamisu.idris@investment.onepension.com</a><br><a href="http://www.investment.onepension.com">www.investment.onepension.com</a> |
| 11         | Leadway Pensure PFA Limited              | Olanrewaju Taofeek Idris     | 121/123 Funsho Williams Street,<br>Surulere<br>Lagos                                      | 08066438653<br>08022242181 | <a href="mailto:l-idris@leadway-pensure.com">l-idris@leadway-pensure.com</a><br><a href="http://www.leadway-pensure.com">www.leadway-pensure.com</a>                                   |
| 12         | FCMB Pensions Limited                    | Christopher Babatunde Bajowa | No. 207, Zakariya Maimalari<br>Street, Cadastral AO<br>Central Business District<br>Abuja | 08022235807                | <a href="mailto:christopherbajowa@fcmbpension.com">christopherbajowa@fcmbpension.com</a><br><a href="http://www.fcmbpension.com">www.fcmbpension.com</a>                               |
| 13         | NLPC Pension Fund Administrators Limited | Wale O. Kolawole             | No. 312A, Ikorodu Road, Anthony,<br>Lagos                                                 | 08034027008                | <a href="mailto:wale.kolawale@nlpcpfa.com">wale.kolawale@nlpcpfa.com</a><br>Website: <a href="http://www.nlpcpfa.com">www.nlpcpfa.com</a>                                              |

Pension Fund Administrators (Cont'd)

| <b>S/No</b> | <b>Name of Operator</b>                                                    | <b>Managing Director</b>  | <b>Address</b>                                                                                                                              | <b>Phone No.</b>          | <b>E-mail and Web Addresses</b>                                                                                                                                                     |
|-------------|----------------------------------------------------------------------------|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 14          | NPF Pensions Limited                                                       | Dr. Hamza Sule Wuro Bokki | NPF Pensions House<br>Plot 3820, R.B. Dikko Street<br>Off Shehu Shagari Way, Opp.<br>Force HQtrs. Central Business<br>District (CBD), Abuja | 08033139435               | <a href="mailto:hamza.bokki@npfpensions.com">hamza.bokki@npfpensions.com</a><br><a href="http://www.npfpensions.com">www.npfpensions.com</a>                                        |
| 15          | Oak Pensions Limited                                                       | Abdullahi Moh'd Aliyu     | 266 Muritala Mohammed<br>Way Yaba, Lagos                                                                                                    | 08035996805               | <a href="mailto:abdullahia@oakpensions.com">abdullahia@oakpensions.com</a><br><a href="http://www.oakpensions.com">www.oakpensions.com</a>                                          |
| 16          | Pensions Alliance<br>Limited                                               | Funsho Doherty            | Plot 289, Ajose Adeogun<br>Street, Victoria Island, Lagos                                                                                   | 08035260493               | Website: <a href="http://www.palpensions.com">www.palpensions.com</a>                                                                                                               |
| 17          | Premium Pension<br>Limited                                                 | Umar Sanda Mairami        | No. 4, Agwu Close Off Faskari<br>Crescent Area 3, Garki Abuja                                                                               | 09082454668               | <a href="mailto:usmairami@premiumpension.com">usmairami@premiumpension.com</a><br>Website: <a href="http://www.premiumpension.com">www.premiumpension.com</a>                       |
| 18          | Radix Pension<br>Managers Limited                                          | Victor Bisong             | Radix Pension Managers<br>Limited<br>26, Adeola Hopewell Street<br>Victoria Island<br>Lagos                                                 | 07085822828               | <a href="mailto:kadeboye@radixpension.com">kadeboye@radixpension.com</a>                                                                                                            |
| 19          | Sigma Pensions Limited                                                     | Emenike D. Uduanu         | 1 <sup>st</sup> & 4 <sup>th</sup> floor, Oakland Centre,<br>48 Aguyi Ironsi Street,<br>Maitama, Abuja                                       | 08034039191               | <a href="mailto:uduanued@sigmapensions.com">uduanued@sigmapensions.com</a><br>Website: <a href="http://www.sigmapensions.com">www.sigmapensions.com</a>                             |
| 20          | Stanbic IBTC Pension<br>Managers Limited                                   | Olumide Oyetan            | Plot 1678, Olukunle Bakare<br>Close, Off Sanusi Fafuwa<br>Street, Victoria Island, Lagos                                                    | 08033048324               | <a href="mailto:eric.fajemisin@stanbicibtc.com">eric.fajemisin@stanbicibtc.com</a><br>Website: <a href="http://www.stanbicibtcpension.com">www.stanbicibtcpension.com</a>           |
| 21          | Trustfund Pensions<br>Limited                                              | Musa Nasr                 | Plot 820/821, Labour House,<br>Central Business District,<br>Abuja                                                                          | 08052090315               | <a href="mailto:helen.da-souza@trustfundpensions.com">helen.da-souza@trustfundpensions.com</a><br>Website: <a href="http://www.trustfundpensions.com">www.trustfundpensions.com</a> |
| 22          | Nigeria Universities<br>Pension Management<br>Company Limited<br>(NUPEMCO) | Oluwakemi Ugwu            | Abuja Chamber of Commerce<br>& Industry Complex.<br>KM 8, Umaru Musa Yar'Adua<br>Expressway, Abuja.                                         | 08022433673<br>0907042221 | <a href="mailto:Oluwakemi.ugwu@nupemco.com">Oluwakemi.ugwu@nupemco.com</a><br><a href="mailto:info@nupemco.com">info@nupemco.com</a>                                                |

Table 50: Closed Pension Fund Administrators

| <i>S/No</i> | <i>Name of Operator</i>                          | <i>Managing Director</i> | <i>Address</i>                                                                        | <i>Phone No.</i> | <i>E-mail and Web Addresses</i>                                                                                                                  |
|-------------|--------------------------------------------------|--------------------------|---------------------------------------------------------------------------------------|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.          | Chevron Closed PFA Limited                       | T.A. Adegbonmire         | Deepwater Annex Building<br>2 Chevron Drive, Lekki, Lagos                             | 08023670789      | <a href="mailto:aaos@chevron.com">aaos@chevron.com</a><br><a href="http://www.chevron.com/nigeria">www.chevron.com/nigeria</a>                   |
| 2.          | Nestle Nigeria Trust (CPFA) Limited              | Sule Omotosho            | 22/24 Industrial Avenue, Ilupeju, Lagos                                               | 09062977040      | <a href="mailto:suleomotosho@ng.nestle.com">suleomotosho@ng.nestle.com</a><br><a href="http://www.ng.nestle.com">www.ng.nestle.com</a>           |
| 3.          | Nigerian Agip CPFA Limited                       | Ighojovbe Oghenekaro     | No. 1 Elsie Femi Pearse Street<br>Off Adeola Odeku Street<br>Victoria Island<br>Lagos | 07034161327      | <a href="mailto:ighojovbe.oghenekaro@eni.com">ighojovbe.oghenekaro@eni.com</a><br><a href="http://www.eni.com">www.eni.com</a>                   |
| 4.          | Progress Trust CPFA Limited                      | Joy Ojakovo              | No 1, Abebe Village Road,<br>Iganmu, Lagos                                            | 08033508399      | <a href="mailto:joy.ojakovo@heineken.nl">joy.ojakovo@heineken.nl</a><br><a href="http://www.progresstrustcpfa.com">www.progresstrustcpfa.com</a> |
| 5.          | Shell Nig. Closed Pension Fund Administrator Ltd | Akeeb Akinola            | 1st Floor C-Wing, Bank of Industry Building, 23 Marina, Lagos                         | 08070365632      | <a href="mailto:a.akinola@shell.com">a.akinola@shell.com</a><br><a href="http://www.shellnigeria.com">www.shellnigeria.com</a>                   |
| 6.          | Total (E & P) Nigeria CPFA Limited               | Ifeanyi Ani              | 30 Kofo Abayomi Street<br>Victoria Island, Lagos                                      | 07034130595      | <a href="mailto:ifeanyi.ani@tepngcpfa.com">ifeanyi.ani@tepngcpfa.com</a><br><a href="http://www.total.com">www.total.com</a>                     |

Table 51: Pension Fund Custodians

| <b>S/No</b> | <b>Name of Operator</b>                 | <b>Managing Director</b> | <b>Address</b>                                                                      | <b>Phone No.</b> | <b>E-mail and Web Addresses</b>                                                                                                                                                      |
|-------------|-----------------------------------------|--------------------------|-------------------------------------------------------------------------------------|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.          | Access Pension Fund Custodian Limited   | Idu Okwuosa              | 18 Ahmadu Bello Way,<br>Victoria Island, Lagos                                      | 08060001010      | <a href="mailto:idu.okwuosa@accesspfc.com">idu.okwuosa@accesspfc.com</a><br><a href="http://www.accesspfc.com">www.accesspfc.com</a>                                                 |
| 2.          | First Pension Custodian Nigeria Limited | Oloruntimilehin George   | 6, Maduike Street<br>Off Awolowo Road<br>Ikoyi<br>Lagos                             | 08034022126      | <a href="mailto:timi.george@firstpensioncustodian.com">timi.george@firstpensioncustodian.com</a><br><a href="http://www.firstpensioncustodian.com">www.firstpensioncustodian.com</a> |
| 3.          | UBA Pensions Custodian Limited          | Blessing Victoria Ogwu   | Plot 22b, Idowu Taylor Street, Victoria Island, Lagos                               | 07034137645      | <a href="mailto:blessing.ogwu@ubagroup.com">blessing.ogwu@ubagroup.com</a><br><a href="http://www.ubagroup.com">www.ubagroup.com</a>                                                 |
| 4.          | Zenith Pensions Custodian Limited       | Nkem Oni-Egboma          | 4th and 5th Floors, Civic Towers<br>Ozumba Mbadiwe Road<br>Victoria Island<br>Lagos | 08023164118      | <a href="mailto:nkem.oni-egboma@zenithcustodian.com">nkem.oni-egboma@zenithcustodian.com</a><br><a href="http://www.zenithcustodian.com">www.zenithcustodian.com</a>                 |

## 4.2 Profile of Pension Fund Operators

Table 52: Profile of Pension Fund Operators

| S/N | PFA Name                           | Board of Directors       |                       | Paid-up Share Capital<br>(₦' million) | Number of Branches<br>and Service Centres | External Auditors |
|-----|------------------------------------|--------------------------|-----------------------|---------------------------------------|-------------------------------------------|-------------------|
| 1.  | AIICO Pension Managers Limited     | Ebi Ernest Chukwudi      | Chairman              | 1,078,776,977                         | 36                                        | Ernst & Young     |
|     |                                    | Eguarekhide J. Longe     | Managing Director/CEO |                                       |                                           |                   |
|     |                                    | Babatunde. Ottun         | Executive Director    |                                       |                                           |                   |
|     |                                    | Bukola. J. Oluwadiya     | Director              |                                       |                                           |                   |
|     |                                    | Ademola Abimbola Adebisi | Director              |                                       |                                           |                   |
|     |                                    | Babatunde Fajemirokun    | Director              |                                       |                                           |                   |
|     |                                    | Adewale Adegbite         | Director              |                                       |                                           |                   |
|     |                                    | Edwin Igbiti             | Director              |                                       |                                           |                   |
|     |                                    | Mr. Asue Ighodalo        | Independent Director  |                                       |                                           |                   |
| 2.  | APT Pension Funds Managers Limited | Ado Yakubu Wanka         | Chairman              | 1,643,350,594                         | 4                                         | Deloitte & Touche |
|     |                                    | Bayo Olugbemi            | Vice Chairman         |                                       |                                           |                   |
|     |                                    | Al-Mujtaba Abubakar Gumi | Managing Director/CEO |                                       |                                           |                   |
|     |                                    | Kasimu Garba Kurfi       | Director              |                                       |                                           |                   |
|     |                                    | Muhammed Kabiru Musa     | Director              |                                       |                                           |                   |
|     |                                    | Oluwatomilola Otudeko    | Director              |                                       |                                           |                   |
|     |                                    | Seni Adetu               | Director              |                                       |                                           |                   |
|     |                                    | Juliet Anammah           | Independent Director  |                                       |                                           |                   |
| 3.  | ARM Pension Managers Limited       | Emmanuel Ikazoboh        | Chairman              | 1,200,000,000                         | 52                                        | Deloitte & Touche |
|     |                                    | Wale Odutola             | Managing Director/CEO |                                       |                                           |                   |
|     |                                    | Olayiwola Afolabi        | Executive Director    |                                       |                                           |                   |
|     |                                    | Jumoke Ogundare          | Director              |                                       |                                           |                   |
|     |                                    | Aliyu Asgar Yar'Adua     | Director              |                                       |                                           |                   |
|     |                                    | Akojobi Ndunaka Daniel   | Director              |                                       |                                           |                   |
|     |                                    | Sadiq Mohammed           | Director              |                                       |                                           |                   |
|     |                                    | Karima Olokun Ola        | Director              |                                       |                                           |                   |
|     |                                    | Olayinka Adeyinka Edu    | Independent Director  |                                       |                                           |                   |

**Profile of Pension Fund Operators (Cont'd)**

| <b>S/N</b> | <b>PFA Name</b>                   | <b>Board of Directors</b> |                         | <b>Paid-up Share Capital<br/>(₦' million)</b> | <b>Number of Branches and Service Centres</b> | <b>External Auditors</b>     |
|------------|-----------------------------------|---------------------------|-------------------------|-----------------------------------------------|-----------------------------------------------|------------------------------|
| 4.         | Tangerine Pensions Limited        | Umaru Kwairanga           | Chairman                | 1,723,060,000                                 | 11                                            | KPMG Professional Services   |
|            |                                   | Oladapo O. Akinsanya      | Managing Director/CEO   |                                               |                                               |                              |
|            |                                   | Munir Baba                | Director                |                                               |                                               |                              |
|            |                                   | Tosin Runsewe             | Director                |                                               |                                               |                              |
|            |                                   | Abubakar Sadiq Bello      | Independent Director    |                                               |                                               |                              |
|            |                                   | Olajumoke Odunlami        | Director                |                                               |                                               |                              |
|            |                                   | Oladimeji Tunde-Anjous    | Director                |                                               |                                               |                              |
| 5.         | CrusaderSterling Pensions Limited | Oluwole Bankole Oshin     | Chairman                | 1,609,447,000                                 | 41                                            | PricewaterhouseCoopers (PwC) |
|            |                                   | Adeniyi Falade            | Managing Director/CEO   |                                               |                                               |                              |
|            |                                   | Segun Oluyori             | Non- Executive Director |                                               |                                               |                              |
|            |                                   | Richard Asabia            | Non- Executive Director |                                               |                                               |                              |
|            |                                   | Kunle Omilani             | Independent Director    |                                               |                                               |                              |
|            |                                   | Femi Oyetunji             | Independent Director    |                                               |                                               |                              |
|            |                                   | Fumi Oluwajoba            | Executive Director      |                                               |                                               |                              |
| 6.         | First Guarantee Pension Limited   | Kashim Ibrahim Imam       | Chairman                | 600,000,000                                   | 31                                            | PricewaterhouseCoopers (PwC) |
|            |                                   | Patrick Asadu             | Vice Chairman/NED       |                                               |                                               |                              |
|            |                                   | George Ozodinobi          | Non- Executive Director |                                               |                                               |                              |
|            |                                   | Austin Opara              | Non- Executive Director |                                               |                                               |                              |
|            |                                   | Ghali Na'Abba             | Non- Executive Director |                                               |                                               |                              |
|            |                                   | Chijioke Ugochukwu        | Independent Director    |                                               |                                               |                              |
|            |                                   | Wilson Ideva              | Managing Director/CEO   |                                               |                                               |                              |
|            |                                   | Michael Orekoya           | Executive Director      |                                               |                                               |                              |
|            |                                   | Chiedu Godwin Eluemunoh   | Non- Executive Director |                                               |                                               |                              |
|            |                                   | Nuruddeen Sani Gwarzo     | Executive Director      |                                               |                                               |                              |

Profile of Pension Fund Administrators (Cont'd)

| S/N | PFA Name                                     | Board of Directors     |                         | Paid-up Share Capital<br>(₦' million) | Number of<br>Branches and<br>Service Centres | External Auditors |
|-----|----------------------------------------------|------------------------|-------------------------|---------------------------------------|----------------------------------------------|-------------------|
|     |                                              |                        |                         |                                       |                                              |                   |
| 7.  | Veritas Glanvills<br>Pensions<br>Limited     | Farouk Lawal Yola      | Chairman                | 1,500,000,000                         | 28                                           | Deloitte & Touche |
|     |                                              | Olasupo Falana         | Non- Executive Director |                                       |                                              |                   |
|     |                                              | Godson Ukpevo          | Managing Director/CEO   |                                       |                                              |                   |
|     |                                              | Priya Heal             | Non- Executive Director |                                       |                                              |                   |
|     |                                              | Chief A.O.Omisore      | Non- Executive Director |                                       |                                              |                   |
|     |                                              | Abiodun Shode          | Executive Director      |                                       |                                              |                   |
|     |                                              | Nahim Abe Ibraheem     | Non- Executive Director |                                       |                                              |                   |
|     |                                              | Ify Ummakwe-Okeke      | Independent Director    |                                       |                                              |                   |
|     |                                              |                        |                         |                                       |                                              |                   |
| 8.  | Fidelity Pension<br>Managers<br>Limited      | Johnson Chukwu         | Chairman                | 2,000,000,000                         | 26                                           | Deloitte & Touche |
|     |                                              | Amaka Andy Azike       | Managing Director/CEO   |                                       |                                              |                   |
|     |                                              | Donal Onuoha           | Executive Director      |                                       |                                              |                   |
|     |                                              | Chris Okenwa           | Non- Executive Director |                                       |                                              |                   |
|     |                                              | Justus Osueke          | Non- Executive Director |                                       |                                              |                   |
|     |                                              | Sie Iyemeomi           | Non- Executive Director |                                       |                                              |                   |
|     |                                              | Joyce Obi              | Independent Director    |                                       |                                              |                   |
|     |                                              | Ijeoma Ulas            | Non- Executive Director |                                       |                                              |                   |
|     |                                              |                        |                         |                                       |                                              |                   |
| 9.  | IEI-Anchor<br>Pension<br>Managers<br>Limited | Sen. Rufai Hanga       | Chairman                | 2,222,000,000                         | 20                                           | Grant Thornton    |
|     |                                              | Glory Etaduovie        | Acting MD/CEO           |                                       |                                              |                   |
|     |                                              | Sen. Usman K. Umar     | Non- Executive Director |                                       |                                              |                   |
|     |                                              | Sen. Ambuno Zik Sunday | Non- Executive Director |                                       |                                              |                   |
|     |                                              | Ebunolu Ayeni          | Non- Executive Director |                                       |                                              |                   |
|     |                                              | Dr. Adeyinka Hassan    | Non- Executive Director |                                       |                                              |                   |
|     |                                              | Emmanuel Bassey        | Non- Executive Director |                                       |                                              |                   |

Profile of Pension Fund Administrators (Cont'd)

| S/N | PFA Name                                | Board of Directors           |                         | Paid-up Share Capital (₦' million) | Number of Branches and Service Centres | External Auditors                            |
|-----|-----------------------------------------|------------------------------|-------------------------|------------------------------------|----------------------------------------|----------------------------------------------|
| 10. | Investment One Pension Managers Limited | Adejoke Chukwuma             | Chairman                | 1,500,000,000                      | 1                                      | Ernst & Young                                |
|     |                                         | Hamisu Bala Idris            | MD/CEO                  |                                    |                                        |                                              |
|     |                                         | Mr. Nicholas Nyamali         | Non-Executive Director  |                                    |                                        |                                              |
|     |                                         | Hamisu Bala Idris            | Non-Executive Director  |                                    |                                        |                                              |
|     |                                         | Mrs. Taiwo A. Mudasiru       | Independent Director    |                                    |                                        |                                              |
|     |                                         | Umar Abdullahi               | Non-Executive Director  |                                    |                                        |                                              |
|     |                                         | Adetoun Onyia                | Non-Executive Director  |                                    |                                        |                                              |
|     |                                         | Dr. Elizabeth Nadu Jenloye   | Non-Executive Director  |                                    |                                        |                                              |
| 11. | Leadway Pensure PFA Limited             | Oye Hassan-Odukale           | Chairman                | 2,000,000,000                      | 35                                     | Ernst & Young                                |
|     |                                         | Olanrewaju Taofeek Idris     | Managing Director/CEO   |                                    |                                        |                                              |
|     |                                         | Oluwafemi Adebayo            | Executive Director      |                                    |                                        |                                              |
|     |                                         | Abayomi Adesope              | Executive Director      |                                    |                                        |                                              |
|     |                                         | Balla Swamy                  | Non -Executive Director |                                    |                                        |                                              |
|     |                                         | Kofo Majekodunmi             | Director                |                                    |                                        |                                              |
|     |                                         | Tunde Hassan-Odukale         | Director                |                                    |                                        |                                              |
|     |                                         | Mallam Ibrahim Dahiru Waziri | Independent Director    |                                    |                                        |                                              |
|     |                                         | Ijeoma Rita Obu              | Independent Director    |                                    |                                        |                                              |
|     |                                         | Scot Six                     | Director                |                                    |                                        |                                              |
|     |                                         | Olusegun Aganga              | Director                |                                    |                                        |                                              |
|     |                                         | Sarbeswar Sahoo              | Director                |                                    |                                        |                                              |
|     |                                         |                              |                         |                                    |                                        |                                              |
| 12. | NPF Pensions Limited                    | Suleiman Abba                | Chairman                | 2,138,571,000                      | 6                                      | Muhtari Dangana & Co (Chartered Accountants) |
|     |                                         | DIG Sanusi N. Lemu           | Vice Chairman           |                                    |                                        |                                              |
|     |                                         | Hamza Sule Wuro Bokki        | Managing Director/CEO   |                                    |                                        |                                              |
|     |                                         | ACP Uzairu Abdullahi         | Non -Executive Director |                                    |                                        |                                              |
|     |                                         | AIG Adamu Usman              | Non -Executive Director |                                    |                                        |                                              |
|     |                                         | ACP Olufunke Ogunbode        | Non -Executive Director |                                    |                                        |                                              |
|     |                                         | Sola Ephraim-Oluwanuga       | Independent Director    |                                    |                                        |                                              |

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|  |  | Abdulkareem S. Gezawa   | Executive Director |  |  |  |
|  |  | Nicholas Nwalozie Nneji | Executive Director |  |  |  |

Profile of Pension Fund Administrators (Cont'd)

| <i>S/N</i> | <i>PFA Name</i>                       | <i>Board of Directors</i>    |                        | <i>Paid-up Share Capital<br/>(₦' million)</i> | <i>Number of Branches and Service Centre</i> | <i>External Auditors</i>                       |
|------------|---------------------------------------|------------------------------|------------------------|-----------------------------------------------|----------------------------------------------|------------------------------------------------|
|            |                                       |                              |                        |                                               |                                              |                                                |
| 13.        | FCMB Pensions Limited                 | Ladi Balogun                 | Chairman               | 800,000,000                                   | 29                                           | KPMG Professional Services                     |
|            |                                       | Christopher Babatunde Bajowa | Managing Director/CEO  |                                               |                                              |                                                |
|            |                                       | Mai Moustapha Muhammad       | Executive Director     |                                               |                                              |                                                |
|            |                                       | Peter Obaseki                | Non-Executive Director |                                               |                                              |                                                |
|            |                                       | James Ilori                  | Non-Executive Director |                                               |                                              |                                                |
|            |                                       | Kabir Ibrahim Waziri         | Non-Executive Director |                                               |                                              |                                                |
|            |                                       | Titi Odunfa Adeoya           | Independent Director   |                                               |                                              |                                                |
|            |                                       | Caroline C. Anyanwu          | Independent Director   |                                               |                                              |                                                |
|            |                                       |                              |                        |                                               |                                              |                                                |
| 14.        | NLPC Pension Fund Administrators Ltd. | J. O. Emmanuel               | Chairman               | 1,500,000,000                                 | 21                                           | Ajibade Durojaiye & Co (Chartered Accountants) |
|            |                                       | A. O. Kolawole               | Managing Director/CEO  |                                               |                                              |                                                |
|            |                                       | Mrs. C. O. Oyeleye           | Executive Director     |                                               |                                              |                                                |
|            |                                       | Samuel Adewole Balogun       | Executive Director     |                                               |                                              |                                                |
|            |                                       | S. B. Abolarin               | Non-Executive Director |                                               |                                              |                                                |
|            |                                       | A. A. Adeyeye                | Non-Executive Director |                                               |                                              |                                                |
|            |                                       | F. R. A. Marinho             | Non-Executive Director |                                               |                                              |                                                |
|            |                                       | Thelma Amata Iremiren        | Non-Executive Director |                                               |                                              |                                                |
|            |                                       | Adefoluso Adebanye Agbede    | Non-Executive Director |                                               |                                              |                                                |
|            |                                       | Remilekun Odunlami           | Independent Director   |                                               |                                              |                                                |
|            |                                       |                              |                        |                                               |                                              |                                                |
| 15.        | Oak Pensions Limited                  | Dr. Awa Ibraheem             | Chairman               | 1,050,000,000                                 | 29                                           | Rasaki Murtala & Co                            |
|            |                                       | Abdullahi Aliyu              | Managing Director/CEO  |                                               |                                              |                                                |
|            |                                       | Abdulwahab Ige               | Executive Director     |                                               |                                              |                                                |
|            |                                       | Muhammed Baba                | Director               |                                               |                                              |                                                |
|            |                                       | Ganiyu Musa                  | Director               |                                               |                                              |                                                |
|            |                                       | Abdulwahab Ige               | Director               |                                               |                                              |                                                |
|            |                                       | Anirejuoritse Ojuyah         | Director               |                                               |                                              |                                                |

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|--|--|---------------------|----------------------|--|--|--|
|  |  | Adeyemi Abdullateef | Independent Director |  |  |  |
|--|--|---------------------|----------------------|--|--|--|

Profile of Pension Fund Administrators (Cont'd)

| <i>S/N</i> | <i>PFA Name</i>           | <i>Board of Directors</i>       |                         | <i>Paid-up Share Capital<br/>(₦' million)</i> | <i>Number of<br/>Branches<br/>and Service<br/>Centres</i> | <i>External Auditors</i>   |
|------------|---------------------------|---------------------------------|-------------------------|-----------------------------------------------|-----------------------------------------------------------|----------------------------|
| 16.        | Pensions Alliance Limited | Junaid Dikko                    | Chairman                | 1,100,000,000                                 | 38                                                        | KPMG Professional Services |
|            |                           | Funso Doherty                   | Managing Director / CEO |                                               |                                                           |                            |
|            |                           | Patrice Raymond Backer          | Non -Executive Director |                                               |                                                           |                            |
|            |                           | Sa'adu Jijji                    | Non -Executive Director |                                               |                                                           |                            |
|            |                           | Ms. Adesuwa Jamila Belo-Osagie  | Non -Executive Director |                                               |                                                           |                            |
|            |                           | Tosayee Ogbomo                  | Non -Executive Director |                                               |                                                           |                            |
|            |                           | Myma Belo-Osagie                | Non -Executive Director |                                               |                                                           |                            |
|            |                           | Charled Ifedi                   | Non -Executive Director |                                               |                                                           |                            |
|            |                           | Osagie Ediale                   | Independent Director    |                                               |                                                           |                            |
| 17.        | Premium Pension Limited   | Arc Yunusa Yakubu               | Chairman                | 657,127,000                                   | 51                                                        | KPMG Professional Services |
|            |                           | Mairami Umar Sanda              | MD/CEO                  |                                               |                                                           |                            |
|            |                           | Ahmed Almustapha                | Non -Executive Director |                                               |                                                           |                            |
|            |                           | Lawal Aminu                     | Non -Executive Director |                                               |                                                           |                            |
|            |                           | Ibrahim Abubakar Kwargana       | Non -Executive Director |                                               |                                                           |                            |
|            |                           | Kabir Ahmed Tijjani             | Executive Director      |                                               |                                                           |                            |
|            |                           | Mrs. Kemi Oluwashina            | Executive Director      |                                               |                                                           |                            |
|            |                           | Sadi Abdul                      | Executive Director      |                                               |                                                           |                            |
|            |                           | Maj Gen Bitrus Kwaji (rtd), OON | Non -Executive Director |                                               |                                                           |                            |
|            |                           | Muhammad Musa Makarfi           | Non -Executive Director |                                               |                                                           |                            |
|            |                           | Dr. Muhammad Nuru Yakubu, OON   | Non -Executive Director |                                               |                                                           |                            |
|            |                           | Professor Nat Ofo               | Independent Director    |                                               |                                                           |                            |

Profile of Pension Fund Administrators (Cont'd)

| <i>S/N</i> | <i>PFA Name</i>                | <i>Board of Directors</i> |                         | <i>Paid-up Share Capital<br/>(₦' million)</i> | <i>Number of Branches and Service Centres</i> | <i>External Auditors</i>     |
|------------|--------------------------------|---------------------------|-------------------------|-----------------------------------------------|-----------------------------------------------|------------------------------|
|            |                                |                           |                         |                                               |                                               |                              |
| 18.        | Radix Pension Managers Limited | Mr. Abiodun Dabiri        | Chairman                | 1,250,000,000                                 | 11                                            | SIAO Partners                |
|            |                                | Victor Bisong             | Managing Director/ CEO  |                                               |                                               |                              |
|            |                                | Mr. Olaseni Oduwole       | Executive Director      |                                               |                                               |                              |
|            |                                | Ms. Kikelomo Kasim        | Non -Executive Director |                                               |                                               |                              |
|            |                                | Rotimi Fashola            | Non -Executive Director |                                               |                                               |                              |
|            |                                | Ummuhani Ahmed Amin       | Independent Director    |                                               |                                               |                              |
|            |                                |                           |                         |                                               |                                               |                              |
| 19.        | Sigma Pensions Limited         | Mark Collier              | Chairman                | 984,539,000                                   | 41                                            | PricewaterhouseCoopers (PwC) |
|            |                                | Mr. Emenike Dave Uduanu   | Managing Director/CEO   |                                               |                                               |                              |
|            |                                | Ibrahim Balarabe          | Executive Director      |                                               |                                               |                              |
|            |                                | Afolabi Folayan           | Executive Director      |                                               |                                               |                              |
|            |                                | Natalie Kolbe             | Non-Executive Director  |                                               |                                               |                              |
|            |                                | Tony Abakisi              | Non-Executive Director  |                                               |                                               |                              |
|            |                                | Funmi Augusto             | Independent Director    |                                               |                                               |                              |
|            |                                | Thomas Brummer Schlebush  | Non-Executive Director  |                                               |                                               |                              |
|            |                                | Umaru H. Modibbo          | Non-Executive Director  |                                               |                                               |                              |
|            |                                | Mr. Ngetha Waithaka       | Non-Executive Director  |                                               |                                               |                              |
|            |                                | Ngetha Waithaka           | Non-Executive Director  |                                               |                                               |                              |

Profile of Pension Fund Administrators (Cont'd)

| <i>S/N</i> | <i>PFA Name</i>                       | <i>Board of Directors</i> |                         | <i>Paid-up Share Capital<br/>(₦' million)</i> | <i>Number of<br/>Branches and<br/>Service Centres</i> | <i>External Auditors</i>     |
|------------|---------------------------------------|---------------------------|-------------------------|-----------------------------------------------|-------------------------------------------------------|------------------------------|
| 20.        | Stanbic IBTC Pension Managers Limited | Ademola A. Sogunle        | Chairman                | 1,000,000,000                                 | 35                                                    | PricewaterhouseCoopers (PwC) |
|            |                                       | Olumide Oyetan            | Managing Director       |                                               |                                                       |                              |
|            |                                       | Nike Bajomo               | Executive Director      |                                               |                                                       |                              |
|            |                                       | Otitoju Olorundare        | Executive Director      |                                               |                                                       |                              |
|            |                                       | Charles Emelue            | Executive Director      |                                               |                                                       |                              |
|            |                                       | Abubakar Balarebe Mahmoud | Non-Executive Director  |                                               |                                                       |                              |
|            |                                       | Nnenna Okoro              | Non-Executive Director  |                                               |                                                       |                              |
|            |                                       | Folasade Odunaiya         | Independent Director    |                                               |                                                       |                              |
|            |                                       | Yemisi Ayeni              | Non-Executive Director  |                                               |                                                       |                              |
|            |                                       | Daniel Braie              | Non-Executive Director  |                                               |                                                       |                              |
|            |                                       | William Thorpe            | Non-Executive Director  |                                               |                                                       |                              |
|            |                                       | Juliet Ehimuan            | Independent Director    |                                               |                                                       |                              |
| 21.        | Trustfund Pensions Limited            | Austin Enajemo-Isire      | Chairman                | 2,000,000,000                                 | 44                                                    | Ernst & Young                |
|            |                                       | Musa Nasr                 | Managing Director/CEO   |                                               |                                                       |                              |
|            |                                       | Babatunde Akinsola        | Executive Director      |                                               |                                                       |                              |
|            |                                       | Michael Akabogu           | Non -Executive Director |                                               |                                                       |                              |
|            |                                       | Temitope Akinwale         | Non -Executive Director |                                               |                                                       |                              |
|            |                                       | Kelly Nwagha              | Non -Executive Director |                                               |                                                       |                              |
|            |                                       | Comrade Joe Ajaero        | Non -Executive Director |                                               |                                                       |                              |
|            |                                       | Mobolaji Balogun          | Non -Executive Director |                                               |                                                       |                              |
|            |                                       | Adesoji Adelaja           | Non -Executive Director |                                               |                                                       |                              |
|            |                                       | Abidemi Oni               | Non -Executive Director |                                               |                                                       |                              |
|            |                                       | Phillip Southwell         | Non -Executive Director |                                               |                                                       |                              |
|            |                                       | Eno Adetayo-Olugbemi      | Executive Director      |                                               |                                                       |                              |
|            |                                       | Uche Ihechere             | Executive Director      |                                               |                                                       |                              |
|            |                                       | Comrade Quadri Olaleye    | Director                |                                               |                                                       |                              |

|     |         |                            |                         |               |   |                      |
|-----|---------|----------------------------|-------------------------|---------------|---|----------------------|
|     |         | Babatunde Akinsola         | Executive Director      |               |   |                      |
| 22. | NUPEMCO | Prof. Abdullahi Sule-Kano  | Chairman                | 1,817,028,000 | 1 | Muhtari Dangana & Co |
|     |         | Mrs. Oluwakemi Bisola Ugwu | Managing Director/CEO   |               |   |                      |
|     |         | Prof. Humphrey Assisi      | Non -Executive Director |               |   |                      |
|     |         | Dr. Peter Ozo--Eson        | Non -Executive Director |               |   |                      |
|     |         | Ismaila Danladi Shuaibu    | Independent Director    |               |   |                      |
|     |         | Mallam Bashiru Tukur       | Independent Director    |               |   |                      |
|     |         | Atiku Saleh Dambatta       | Independent Director    |               |   |                      |

#### Profile of Closed Pension Fund Administrators

| <i>S/N</i> | <i>CPFA Name</i>                     | <i>Name of Director</i>       | <i>Appointment</i>      | <i>Paid-up Share Capital<br/>(₦' million)</i> | <i>External Auditor</i>                           |
|------------|--------------------------------------|-------------------------------|-------------------------|-----------------------------------------------|---------------------------------------------------|
| 1.         | Chevron Nigeria Pension Plan Limited | R.J. Kennedy (American)       | Chairman                | 150,000,000                                   | Deloitte & Touche                                 |
|            |                                      | T.A. Adegbonmire              | Managing Director/CEO   |                                               |                                                   |
|            |                                      | T.G. Brebion (French)         | Non -Executive Director |                                               |                                                   |
|            |                                      | S.P. Gardner (America)        | Non -Executive Director |                                               |                                                   |
|            |                                      | M.A. Ovuede                   | Non -Executive Director |                                               |                                                   |
|            |                                      | I.I. Okunzua                  | Non -Executive Director |                                               |                                                   |
|            |                                      | C.O. Iwueze                   | Non -Executive Director |                                               |                                                   |
|            |                                      | O. Edun                       | Independent Director    |                                               |                                                   |
|            |                                      | I.F. Bassey                   | Non -Executive Director |                                               |                                                   |
|            |                                      | E.O. Oyegbanren               | Non -Executive Director |                                               |                                                   |
| 2.         | Nestle Nigeria Trust (CPFA) Limited  | Wassim Elhousseini (Lebanese) | Chairman                | 2,500                                         | Ernst & Young                                     |
|            |                                      | Sule Omotosho                 | Managing Director/CEO   |                                               |                                                   |
|            |                                      | Jagdish Kumar Singla (India)  | Non -Executive Director |                                               |                                                   |
|            |                                      | Olumuyiwa Emmanuel Olu-Ayeni  | Independent Director    |                                               |                                                   |
|            |                                      | Shakiru Lawal                 | Non -Executive Director |                                               |                                                   |
|            |                                      | Samuel Solesi                 | Non -Executive Director |                                               |                                                   |
| 3.         | Nigerian Agip CPFA Limited           | Roberto Daniele               | Chairman                | 1,263,000                                     | PricewaterhouseCoopers<br>(Chartered Accountants) |
|            |                                      | Ighojovbe Oghenekaro          | Managing Director/CEO   |                                               |                                                   |
|            |                                      | Oswaldo Ivan Chacon           | Director                |                                               |                                                   |

|    |                                                  |                           |                         |             |                             |
|----|--------------------------------------------------|---------------------------|-------------------------|-------------|-----------------------------|
|    |                                                  | Callista C. Azogu         | Director                |             |                             |
|    |                                                  | Helen Titilola Lawani     | Independent Director    |             |                             |
| 4. | Progress Trust CPFA Limited                      | J. Borrut Bel (Spanish)   | Chairman                | 150,000,000 | KPMG Professional Services  |
|    |                                                  | J.O. Ojakovo              | Executive Director      |             |                             |
|    |                                                  | R. Kleinjan (Dutch)       | Non -Executive Director |             |                             |
|    |                                                  | O Alade-Adeyefa           | Non -Executive Director |             |                             |
|    |                                                  | U.C Okonkwo               | Non -Executive Director |             |                             |
|    |                                                  | U.A. Ibemere              | Non -Executive Director |             |                             |
|    |                                                  | J. Ojeanor                | Non -Executive Director |             |                             |
|    |                                                  | O.R. Omowawa              | Non -Executive Director |             |                             |
| 5. | Shell Nig. Closed Pension Fund Administrator Ltd | Osagie Okunbor            | Chairman                | 200,000     | Ernst & Young               |
|    |                                                  | Akeeb Akinola             | Managing Director       |             |                             |
|    |                                                  | Ballama Manu              | Independent Director    |             |                             |
|    |                                                  | Funke Osibodu             | Independent Director    |             |                             |
|    |                                                  | Olukayode Ogunleye        | Alternate Chairman      |             |                             |
|    |                                                  | Jan Van Bunnik (Dutch)    | Non -Executive Director |             |                             |
|    |                                                  | Oluwaremilekun Soyannwo   | Non -Executive Director |             |                             |
|    |                                                  | Elohor Aiboni             | Non -Executive Director |             |                             |
| 6. | Total (E & P) Nigeria CPFA Limited               | Abiodun Afolabi           | Chairman                | 5,000,000   | KPMG Professional Services. |
|    |                                                  | Ifeanyi Ani               | Managing Director       |             |                             |
|    |                                                  | Olalere Babasola          | Non -Executive Director |             |                             |
|    |                                                  | Akeem Ameen               | Non -Executive Director |             |                             |
|    |                                                  | Chantal Belliard (French) | Non -Executive Director |             |                             |
|    |                                                  | Olutola Mobolurin         | Independent Director    |             |                             |
|    |                                                  | Paul Odekina              | Non -Executive Director |             |                             |
|    |                                                  | Tai Oshisanya             | Non -Executive Director |             |                             |
|    |                                                  | Ikhuemi Meschachs Oise    | Non -Executive Director |             |                             |
|    |                                                  | Olubunmi Obembe           | Non -Executive Director |             |                             |
|    |                                                  | Kofo Ati john             | Non -Executive Director |             |                             |
|    |                                                  | Festus Osifo              | Non -Executive Director |             |                             |
|    |                                                  | Anthony Abolarin          | Non -Executive Director |             |                             |

# Profile of Pension Fund Custodians

| <i>S/N</i> | <i>PFC Name</i>                         | <i>Name of Director</i>  | <i>Appointment</i>    | <i>Paid-up Share Capital<br/>(₦' million)</i> | <i>External Auditors</i>    |
|------------|-----------------------------------------|--------------------------|-----------------------|-----------------------------------------------|-----------------------------|
| 1.         | Access Pension Fund Custodian Limited   | Oladele Akinyemi         | Chairman              | 2,000,000,000                                 | KPMG Professional Services. |
|            |                                         | Idu Okwuosa              | Managing Director/CEO |                                               |                             |
|            |                                         | Adedoyin Salami          | Independent Director  |                                               |                             |
|            |                                         | Olaolu Mudasiru          | Director              |                                               |                             |
|            |                                         | Abimbola Akeredolu (SAN) | Director              |                                               |                             |
|            |                                         | Victor Etuokwu           | Director              |                                               |                             |
|            |                                         | Iyabo Soji-Okunsanya     | Director              |                                               |                             |
| 2.         | First Pension Custodian Nigeria Limited | Umar Yahaya              | Chairman              | 2,000,000,000                                 | KPMG Professional Services  |
|            |                                         | Oloruntimehin George     | Managing Director/CEO |                                               |                             |
|            |                                         | Bunmi Aderunmu           | Director              |                                               |                             |
|            |                                         | Ijeoma Nwogwugwu         | Director              |                                               |                             |
|            |                                         | Philip Bandele Olufunwa  | Director              |                                               |                             |
|            |                                         | Mercy DaSilva            | Director              |                                               |                             |
|            |                                         | Adeniyi Odunsi           | Independent Director  |                                               |                             |
|            |                                         | Patrick Iyamabo          | Independent Director  |                                               |                             |
| 3.         | UBA Pensions Custodian Limited          | Victor Osadolor          | Chairman              | 2,000,000,000                                 | Ernst & Young               |
|            |                                         | Blessing Ogwu            | Managing Director/CEO |                                               |                             |
|            |                                         | Awele Elumelu            | Director              |                                               |                             |
|            |                                         | Mohammed Yayangida Umar  | Independent Director  |                                               |                             |
|            |                                         | Mohammed Abass Jega      | Independent Director  |                                               |                             |
|            |                                         | Chukwuma Nweke           | Director              |                                               |                             |
|            |                                         | Ugochukwu Alex Nwaghodoh | Director              |                                               |                             |
|            |                                         | Daniel Wajuihian         | Director              |                                               |                             |
| 4.         | Zenith Pensions Custodian Limited       | Ebenezer Onyeagwu        | Chairman              | 2,000,000,000                                 | KPMG Professional Services  |
|            |                                         | Nkem Oni-Egboma          | Managing Director/CEO |                                               |                             |
|            |                                         | Steve Omojafor           | Director              |                                               |                             |
|            |                                         | Adaora Umeoji            | Director              |                                               |                             |
|            |                                         | Olayinka Ajayi           | Executive Director    |                                               |                             |

|  |  |                    |                        |  |  |
|--|--|--------------------|------------------------|--|--|
|  |  | Temitope Fasoranti | Director               |  |  |
|  |  | Umar Shuaibu Ahmed | Non-Executive Director |  |  |

## Appendix

### Three Year Financial Summary of the PFAs & PFCs Company Accounts for the Period 2019 – 2021

| ACCESS PENSION FUND CUSTODIANS LIMITED |                  |                  |                  |
|----------------------------------------|------------------|------------------|------------------|
|                                        | 2021             | 2020             | 2019             |
|                                        | (N'000)          | (N'000)          | (N'000)          |
| <b>Assets</b>                          |                  |                  |                  |
| Cash & cash equivalents                | 40,812           | 3,435,189        | 4,274,302        |
| Loans and receivable                   | -                | 517              | 9,399            |
| Held to maturity                       | -                | -                | -                |
| Financial asset at amortised cost      | 3,692,672        | 109,306          | -                |
| Trade and other receivables            | 72,918           | 46,720           | 55,706           |
| Current tax assets                     | -                | -                | -                |
| Intangible assets                      | 75,432           | 55,466           | 74,577           |
| Investment property                    |                  |                  | 200,000          |
| Non-Current Asset Held For Sale        | 190,000          | 190,000          | -                |
| Property and equipment                 | 812,858          | 841,782          | 56,881           |
| <b>Total Assets</b>                    | <b>4,884,691</b> | <b>4,678,980</b> | <b>4,670,865</b> |
|                                        |                  |                  |                  |
| <b>Liabilities</b>                     |                  |                  |                  |
| Other liabilities                      | 69,110           | 68,146           | 86,468           |
| Deferred tax liability                 | 28,857           | 33,804           | 11,497           |
| Current income tax liability           | 69,048           | 32,121           | 153,815          |
| <b>Total Liabilities</b>               | <b>167,015</b>   | <b>134,071</b>   | <b>251,780</b>   |
|                                        |                  |                  |                  |
| <b>Equity</b>                          |                  |                  |                  |
| Share capital                          | 2,000,000        | 2,000,000        | 2,000,000        |
| Fair value reserve                     | -                | -                | -                |
| Retained earnings                      | 2,717,675        | 2,544,909        | 2,419,085        |
| <b>Total Equity</b>                    | <b>4,717,675</b> | <b>4,544,909</b> | <b>4,419,085</b> |
| <b>Total Equity and Liabilities</b>    | <b>4,884,691</b> | <b>4,678,980</b> | <b>4,670,865</b> |
|                                        |                  |                  |                  |
|                                        |                  |                  |                  |
| <b>Operating income</b>                | <b>750,770</b>   | <b>610,218</b>   | <b>1,017,035</b> |
| <b>Operating expenses</b>              | <b>(513,923)</b> | <b>(429,983)</b> | <b>(514,471)</b> |
| <b>Profit before income tax</b>        | <b>236,847</b>   | <b>180,235</b>   | <b>502,563</b>   |
| Tax expense                            | (64,081)         | (54,411)         | (152,329)        |
|                                        |                  |                  |                  |
| <b>Profit for the year</b>             | <b>172,766</b>   | <b>125'824</b>   | <b>350,234</b>   |

| AIICO PENSION FUND MANAGERS LIMITED                               |         |                  |                  |
|-------------------------------------------------------------------|---------|------------------|------------------|
|                                                                   | 2021    | 2020             | 2019             |
|                                                                   | (N'000) | (N'000)          | (N'000)          |
| <b>Assets</b>                                                     |         |                  |                  |
| Cash & cash equivalents                                           |         | 1,238,479        | 1,238,479        |
| Financial assets                                                  |         |                  |                  |
| - Held to maturity                                                |         | 214,226          | 214,226          |
| - Available for sale                                              |         |                  |                  |
| Trade and other receivables                                       |         | 212,590          | 212,590          |
| Other assets                                                      |         | 29,564           | 29,564           |
| Property, plant and equipment                                     |         | 223,714          | 223,714          |
| Intangible assets                                                 |         | 55,205           | 55,205           |
| Deferred tax assets                                               |         |                  |                  |
| <b>Total Assets</b>                                               |         | <b>1,973,778</b> | <b>1,973,778</b> |
| <b>Liabilities</b>                                                |         |                  |                  |
| Trade and Other payables                                          |         | 108,320          | 162,294          |
| Interest-bearing loans and borrowings                             |         |                  |                  |
| Income tax payable                                                |         | 73,268           | 66,116           |
| Deferred tax Liabilities                                          |         | 32,485           | 46,001           |
| <b>Total Liabilities</b>                                          |         | <b>214,073</b>   | <b>274,411</b>   |
| <b>Equity</b>                                                     |         |                  |                  |
| Share capital                                                     |         | 1,078,777        | 1,078,777        |
| Irredeemable preference shares                                    |         |                  |                  |
| Share premium                                                     |         | 40,365           | 40,365           |
| Statutory reserve                                                 |         | 168,356          | 143,882          |
| Fair value reserve                                                |         |                  |                  |
| Retained earnings                                                 |         | 472,207          | 408,768          |
| <b>Total Equity</b>                                               |         | <b>1,759,705</b> | <b>1,671,792</b> |
| <b>Total Equity and Liabilities</b>                               |         | <b>1,973,778</b> | <b>1,946,203</b> |
| <b>STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME</b> |         |                  |                  |
| Income                                                            |         | 1,579,060        | 1,481,987        |
| Expenses                                                          |         | 1,367,581        | 1,279,454        |
| Profit/(Loss) Before Taxation                                     |         | 248,610          | 299,606          |
| Profit/(Loss) After Taxation                                      |         | 195,791          | 219,394          |

| APT PENSION FUNDS MANAGERS LIMITED                  |                         |                         |                         |
|-----------------------------------------------------|-------------------------|-------------------------|-------------------------|
|                                                     | 2021                    | 2020                    | 2019                    |
|                                                     | (N'000)                 | (N'000)                 | (N'000)                 |
| <b>ASSETS</b>                                       |                         |                         |                         |
| Cash & cash equivalents                             | 745,536                 | 1,450,733               | 887,588                 |
| Fees and receivables                                | 123,733                 | 106,655                 | 108,636                 |
| Financial assets                                    | 1,951,777               | 1,150,274               | 814,278                 |
| Prepayments                                         | 52,099                  | 41,010                  | 40,527                  |
| Property, plant & equipment                         | 144,536                 | 127,045                 | 184,852                 |
| Intangible assets                                   | 25,727                  | 12,138                  | 10,999                  |
| <b>TOTAL ASSETS</b>                                 | <b>3,043,408</b>        | <b>2,887,855</b>        | <b>2,046,880</b>        |
| <b>LIABILITIES</b>                                  |                         |                         |                         |
| <b>Equity</b>                                       |                         |                         |                         |
| Issued share capital                                | 1,643,351               | 1,643,351               | 1,643,351               |
| Share premium                                       | 46,146                  | 46,146                  | 46,146                  |
| Retained Earnings                                   | 800,492                 | 576,911                 |                         |
| Pension Protection reserve                          | 103,088                 | 71,291                  |                         |
| Statutory reserve                                   | 253,527                 | 221,587                 | 143,576                 |
| Fair value reserve                                  | -                       | 185,928                 | 195,176                 |
| <b>Total Shareholders' equity</b>                   | <b>2,846,604</b>        | <b>2,676,923</b>        | <b>2,028,249</b>        |
| <b>Total Shareholders' liabilities &amp; equity</b> | <b><u>2,046,880</u></b> | <b><u>2,046,880</u></b> | <b><u>2,046,880</u></b> |
| <b>Funds under management</b>                       | <b>=</b>                | <b>=</b>                | <b>=</b>                |
| <b>Gross revenue</b>                                | <b><u>1,473,845</u></b> | <b><u>1,225,706</u></b> | <b><u>989,690</u></b>   |
| <b>Net operating income</b>                         | <b>-</b>                | <b>-</b>                | <b>-</b>                |
| Information Technology Development levy             | =                       | =                       | =                       |
| <b>Profit before taxation</b>                       | <b>321,955</b>          | <b>612,061</b>          | <b>44,885</b>           |
| taxation                                            | (66,434)                | (44,454)                | (12,040)                |
| <b>profit after taxation</b>                        | <b><u>255,521</u></b>   | <b><u>567,607</u></b>   | <b><u>56,925</u></b>    |
| Earnings per share Basic                            | 17.3                    | 17.3                    | -                       |
| Earnings per share Adjusted                         | -                       | -                       | -                       |

## ARM PENSION MANAGERS LIMITED

|                                               | 2021<br>(N'000)   | 2020<br>(N'000)   | 2019<br>(N'000)   |
|-----------------------------------------------|-------------------|-------------------|-------------------|
| <b>ASSETS</b>                                 |                   |                   |                   |
| Property and equipment                        | 857,067           | 997,720           | 895,509           |
| Intangible assets                             | 209,475           | 218,579           | 148,763           |
| Goodwill                                      | 810,542           | 810,542           | 810,542           |
| Prepayments                                   | 491,627           | 103,974           | 133,280           |
| Long term investment securities               | -                 | -                 | -                 |
| <b>Non-current assets</b>                     | <b>2,368,711</b>  | <b>2,130,815</b>  | <b>1,988,094</b>  |
| Trade and other receivables                   | 2,906,097         | 2,519,776         | 2,594,667         |
| Prepayments                                   | -                 | -                 | -                 |
| Short term investment securities              | -                 | -                 | -                 |
| Investment in financial assets                | 5,519,480         | 5,244,285         | 4,477,172         |
| Right-of-use                                  | -                 | 277,668           | 299,150           |
| Cash and cash equivalents                     | 4,773,502         | 3,533,796         | 1,965,090         |
| <b>Current assets</b>                         | <b>13,199,079</b> | <b>11,575,525</b> | <b>9,336,079</b>  |
| <b>Total assets</b>                           | <b>15,567,790</b> | <b>13,706,340</b> | <b>11,324,173</b> |
| Due to financial obligation                   | -                 | -                 | -                 |
| Deferred tax liabilities                      | 137,888           | 160,198           | 108,182           |
| <b>Non-current liabilities</b>                | <b>137,888</b>    | <b>160,198</b>    | <b>108,182</b>    |
| Other creditors and accrued expenses          | 2,883,545         | 2,564,158         | 1,780,299         |
| Due to financial institution                  | 53,785            | 136,245           | 242,798           |
| Dividend Payable                              | -                 | -                 | -                 |
| Tax payable                                   | 2,125,030         | 1,805,840         | 1,710,625         |
| <b>Current liabilities</b>                    | <b>5,062,360</b>  | <b>4,506,243</b>  | <b>3,733,722</b>  |
| <b>Total liabilities</b>                      | <b>5,200,248</b>  | <b>4,666,441</b>  | <b>3,841,904</b>  |
| <b>Equity</b>                                 |                   |                   |                   |
| Share capital                                 | 1,200,000         | 1,190,476         | 1,190,476         |
| Share premium                                 | 18,163            | 18,163            | 18,162            |
| Statutory reserve                             | 3,337,047         | 2,884,557         | 2,456,418         |
| Retained earnings                             | 5,907,073         | 4,891,924         | 3,799,714         |
| Fair value reserve                            | (94,741)          | 54,779            | 17,499            |
| <b>Total equity</b>                           | <b>9,039,898</b>  | <b>9,039,898</b>  | <b>7,482,269</b>  |
| <b>Total equity and liabilities</b>           | <b>13,706,339</b> | <b>13,706,339</b> | <b>11,324,173</b> |
| <b>Revenue</b>                                | <b>11,180,926</b> | <b>9,639,131</b>  | <b>9,168,951</b>  |
| Profit on ordinary activities before taxation | 5,265,420         | 4,849,536         | 4,544,835         |
| Taxation                                      | (1,645,499)       | (1,424,426)       | (1,296,905)       |
| Profit on ordinary activities after taxation  | 3,619,921         | 3,425,110         | 3,247,930         |
| Basic and diluted earnings per share (kobo)   | 302               | 288               | 273               |

| AXA MANSARD (Tangerine) PENSIONS LIMITED                  |                  |                  |                  |
|-----------------------------------------------------------|------------------|------------------|------------------|
|                                                           | 2021             | 2020             | 2019<br>(N'000)  |
| <b>ASSETS</b>                                             |                  |                  |                  |
| Cash and bank balance                                     | 178,363          | 390,374          | 185,716          |
| Investment securities                                     | 652,764          | 775,301          | 1,230,853        |
| Available for sale                                        |                  |                  | -                |
| Prepayments                                               | 16,572           | 16,376           | -                |
| Account receivables                                       | 569,489          | 540,488          | 177,449          |
| Intangible assets                                         | 8,450            | 12,937           | 3,220            |
| Property and equipment                                    | 229,547          | 91,806           | 156,151          |
| <b>TOTAL ASSET</b>                                        | <b>1,655,185</b> | <b>1,827,282</b> | <b>1,761,548</b> |
| <b>LIABILITIES</b>                                        |                  |                  |                  |
| Other liabilities                                         | 69,741           | 114,221          | 120,764          |
| Current income tax liabilities                            | 5,477            | 9,132            | 10,781           |
| Deferred tax liability                                    | -                | -                | -                |
| <b>TOTAL LIABILITIES</b>                                  | <b>75,218</b>    | <b>123,353</b>   | <b>131,545</b>   |
|                                                           | <b>1,579,967</b> | <b>1,703,929</b> | <b>1,630,003</b> |
| <b>CAPITAL AND RESERVES</b>                               |                  |                  |                  |
| Share capital                                             | 1,723,060        | 1,723,060        | 1,723,060        |
| Retained earnings                                         | (222,580)        | (130,277)        | (236,025)        |
| Statutory reserves                                        | 74,614           | 74,614           | 59,507           |
| Fair value reserves                                       | 4,873            | 36,532           | 83,461           |
| <b>SHAREHOLDERS FUND</b>                                  | <b>1,579,967</b> | <b>1,703,929</b> | <b>1,630,003</b> |
| <b>STATEMENT OF COMPREHENSIVE INCOME</b>                  |                  |                  |                  |
| Net income                                                | 649,642          | 728,749          | 634,849          |
| Operating expenses                                        | (740,321)        | (604,835)        | (535,329)        |
| <b>RESULT FROM OPERATING ACTIVITIES</b>                   | <b>(90,679)</b>  | <b>123,914</b>   | <b>99,521</b>    |
| Profit before tax                                         | (92,303)         | 123,914          | 99,521           |
|                                                           | -                | (1,237)          |                  |
| Tax expense                                               | (1,624)          | (1,822)          | 9,830            |
| <b>PROFIT/(Loss) AFTER TAX</b>                            | <b>(92,303)</b>  | <b>120,855</b>   | <b>89,691</b>    |
| <b>Fair value loss on debt financial assets at FVTOCI</b> | <b>(29,301)</b>  | <b>(46,929)</b>  |                  |
| <b>Fair value on disposed assets reclassified to P/L</b>  | <b>(2,358)</b>   | <b>-</b>         |                  |
| <b>Total Comprehensive income</b>                         | <b>(31,659)</b>  | <b>(46,929)</b>  |                  |
| <b>Total comprehensive income for the year</b>            | <b>(123,962)</b> | <b>73,926</b>    |                  |

**CRUSADER STERLING PENSION LIMITED**

|                                     | <b>2021</b>      | <b>2020</b>      | <b>2019</b>      |
|-------------------------------------|------------------|------------------|------------------|
|                                     | <b>(N'000)</b>   | <b>(N'000)</b>   | <b>(N'000)</b>   |
| <b>Assets</b>                       |                  |                  |                  |
| Cash and bank balances              | 1,199,299        | 759,282          | 515,413          |
| Investment Securities               | 2,703,808        | 2,024,236        | 2,531,502        |
| Right of use assets                 | 36,703           | 31,056           | -                |
| Intangible assets                   | 44,773           | 46,491           | 48,456           |
| Property, plant and equipment       | 986,336          | 964,806          | -                |
| Other Assets                        | 427,393          | 668,118          | 369,969          |
| Statutory reserve deposit           | 1,739,144        | 1,473,938        | 1,074,772        |
| <b>Total assets</b>                 | <b>7,137,456</b> | <b>5,967,927</b> | <b>5,398,227</b> |
| <b>Liabilities</b>                  |                  |                  |                  |
| Current income tax liability        | 566,909          | 431,029          |                  |
| Deffered tax liability              | 138,205          | 129,793          | 621,089          |
| Other liabilities                   | 817,326          | 733,966          | 508,619          |
| <b>Total liabilities</b>            | <b>1,522,440</b> | <b>1,294,788</b> | <b>1,129,708</b> |
| <b>Capital and reserves</b>         |                  |                  |                  |
| Ordinary share capital              | 1,341,206        | 1,341,206        | 1,341,206        |
| Share premium                       | 13,540           | 13,540           | 13,540           |
| Statutory contingency reserve       | 1,262,917        | 1,086,504        | 930,306          |
| Revenue reserve                     | 2,729,113        | 2,231,889        | 1,983,467        |
| Shareholders fund                   | <b>5,615,016</b> | <b>4,673,139</b> | <b>4,268,519</b> |
| <b>Total liabilities and equity</b> | <b>7,137,456</b> | <b>5,967,927</b> | <b>5,398,227</b> |

| <b>Statement of Comprehensive Income</b> | <b>31 Dec 2021</b> | <b>31 Dec 2020</b> | <b>31 Dec 2019</b> |
|------------------------------------------|--------------------|--------------------|--------------------|
| Operating Income                         | 4,162,619          | 3,578,539          | 3,496,562          |
| Profit before tax                        | 1,986,637          | 1,689,797          | 1,580,164          |
| Tax                                      | (575,338)          | (440,217)          | (382,880)          |
| Profit after tax                         | <b>1,411,300</b>   | <b>1,249,580</b>   | <b>1,197,284</b>   |
| Earnings per share (k)                   | 88                 | 93                 | 89                 |

| <b>FCMB PENSIONS LIMITED</b>                         |                   |                  |                  |
|------------------------------------------------------|-------------------|------------------|------------------|
|                                                      | <b>2021</b>       | <b>2020</b>      | <b>2019</b>      |
|                                                      | <b>(N'000)</b>    | <b>(N'000)</b>   | <b>(N'000)</b>   |
| <b>BALANCE SHEET</b>                                 |                   |                  |                  |
| <b>ASSETS</b>                                        |                   |                  |                  |
| Property and equipment                               | 1,752,237         | 1,748,674        | 1,846,381        |
| Intangible assets                                    | 35,053            | 39,3437          | 37,333           |
| Trade and other receivables                          | 830,007           | 644,675          | 744,245          |
| Prepayments                                          | 84,875            | 71,449           | 60,947           |
| Investment securities                                | 1,801,682         | 802,752          | 1,008,300        |
| Cash and cash equivalent                             | 911,267           | 1,432,288        | 967,022          |
| Investment in Associate                              | <b>6,810,651</b>  | -                | -                |
| Total assets                                         | <b>12,225,772</b> | <b>5,126,181</b> | <b>4,664,228</b> |
| <b>LIABILITIES</b>                                   |                   |                  |                  |
| Taxation payable                                     | 834,607           | 413,958          | 423,770          |
| Trade and other payables                             | 5,142,087         | 349,615          | 1,280,693        |
| Provisions                                           | -                 | -                | -                |
| Other liabilities                                    | -                 | -                | -                |
| Employee benefits                                    | -                 | 121,900          | 96,677           |
| Deferred tax liability                               | 107,234           | 109,004          | 84,480           |
| Total liabilities                                    | <b>7,800,207</b>  | <b>1,293,347</b> | <b>1,885,620</b> |
| <b>Net assets</b>                                    | <b>4,425,565</b>  | <b>3,478,834</b> | <b>2,778,608</b> |
| <b>CAPITAL AND RESERVES</b>                          |                   |                  |                  |
| Share Capital                                        | 800,000           | 800,000          | 800,000          |
| Share Premium                                        | 404,142           | 404,142          | 404,142          |
| Transfer to Statutory Reserves                       | 960,853           | 774,391          | 749,026          |
| Retained earnings (accumulated losses)               | 2,244,969         | 1,468,081        | 827,403          |
| Fair value reserve                                   | 15,601            | 32,220           |                  |
| <b>SHAREHOLDER'S FUNDS</b>                           | <b>3,478,834</b>  | <b>3,478,834</b> | <b>2,778,608</b> |
| Pension funds under management                       | 318,590,424       | 318,590,424      | 318,590,424      |
| <b>Gross Revenue</b>                                 | <b>3,694,355</b>  | <b>3,175,068</b> | <b>3,129,646</b> |
| Profit/(loss) on ordinary activities before taxation | 1,414,055         | 1,226,560        | 1,305,625        |
| Taxation                                             | (463,122)         | (430,357)        | (381,704)        |
| Profit/(loss) on ordinary activities after taxation  | 1,116,442         | 796,203          | 923,921          |
| Earnings/(Loss) Per Share- Basic (kobo)              | 140               | 100              | 115              |
| -Diluted (kobo)                                      | 100               | 100              | 115              |

| FIDELITY PENSIONS MANAGERS LIMITED            |                  |                  |                  |
|-----------------------------------------------|------------------|------------------|------------------|
|                                               | 2021<br>(N'000)  | 2020<br>(N'000)  | 2019<br>(N'000)  |
| <b>ASSETS</b>                                 |                  |                  |                  |
| Cash & cash equivalents                       | 1,316,839        | 1,336,066        | 1,716,462        |
| Receivables                                   | 148,614          | 160,930          | 201,401          |
| <b>Investment securities</b>                  |                  |                  |                  |
| - Available for sale                          | -                | -                | -                |
| - Held to maturity                            | -                | -                | -                |
| - Amortised cost                              | 2,671,567        | 2,161,961        | 1,074,440        |
| Prepayments & other assets                    | 94,085           | 79,736           | 79,736           |
| Intangible assets                             | 9,738            | 14,288           | 23,474           |
| Property, plant & equipment                   | 190,609          | 190,609          | 190,609          |
| <b>TOTAL ASSETS</b>                           | <b>4,411,452</b> | <b>3,917,954</b> | <b>3,286,122</b> |
| <b>LIABILITIES</b>                            |                  |                  |                  |
| Accounts payable                              | 121,781          | 221,224          | 66,682           |
| Other creditors and accruals                  | 668,301          | 147,454          | 101,334          |
| Deferred tax liabilities                      | 22,658           | 3,713            | 41,181           |
| Current tax liabilities                       | 39,888           | 103,118          | 29,381           |
| <b>TOTAL LIABILITIES</b>                      | <b>852,628</b>   | <b>475,509</b>   | <b>238,578</b>   |
| <b>Shareholder's equity</b>                   |                  |                  |                  |
| Paid up share capital                         | 2,000,000        | 2,000,000        | 2,000,000        |
| Share premium account                         | 136,825          | 136,825          | 136,825          |
| Available for sale reserve                    | -                | -                | -                |
| Statutory reserve                             | 394,554          | 342,489          | 268,126          |
| Revenue earnings/(deficit)                    | 1,027,589        | 963,131          | 642,593          |
| <b>Total shareholder's equity</b>             | <b>3,558,968</b> | <b>3,442,445</b> | <b>3,047,544</b> |
| <b>LIABILITIES &amp; SHAREHOLDERS' EQUITY</b> | <b>4,411,596</b> | <b>3,917,954</b> | <b>3,286,122</b> |
| Gross revenue                                 | 1,297,744        | 1,154,004        | 1,390,090        |
| Profit/(Loss) before taxation                 | 475,305          | 653,470          | 361,301          |
| Taxation                                      | 58,782           | 58,569           | 35,753           |
| <b>Total Comprehensive Income</b>             | <b>416,523</b>   | <b>594,901</b>   | <b>325,548</b>   |
| <b>Per Share Data (Kobo)</b>                  |                  |                  |                  |
| Earnings/(loss) per share- Basic & diluted    | 30               | 30               | 16               |
| Net asset per share                           | 152              | 152              | 152              |

| <b>FIRST GUARANTEE PENSION LIMITED</b>   |                  |                  |                   |
|------------------------------------------|------------------|------------------|-------------------|
|                                          | <b>2021</b>      | <b>2020</b>      | <b>2019</b>       |
|                                          | <b>(N'000)</b>   | <b>(N'000)</b>   | <b>(N'000)</b>    |
| <b>ASSETS</b>                            |                  |                  |                   |
| Cash and cash equivalents                | 2,227,587        | 418,039          | 27,810            |
| Other assets                             | 395,069          | 5,255,757        | 9,501,073         |
| Property and equipment                   | 1,077,910        | 302,530          | 145,457           |
| Right of use assets                      | 4,327            | 94,780           | 127,928           |
| Intangible asset                         | 58,422           | 25,607           | 1,910             |
| Deferred Tax Asset                       | -                | -                | -                 |
| Statutory Reserve Deposit                | 1,376,035        | 1,168,082        | 1,061,486         |
| <b>Total Assets</b>                      | <b>5,139,350</b> | <b>7,264,795</b> | <b>10,865,663</b> |
| <b>LIABILITIES</b>                       |                  |                  |                   |
| Other liabilities                        | 598,141          | 956,070          | 595,147           |
| Lease liabilities                        | -                | 87,612           | 79,318            |
| Income tax liability                     | 425,797          | 351,681          | 841,274           |
| Deposit for shares                       | 198,723          | 198,723          | 198,723           |
| Deferred tax liability                   | 76,588           | 49,012           | 36,996            |
| <b>Total Liabilities</b>                 | <b>1,299,249</b> | <b>1,643,098</b> | <b>1,751,458</b>  |
| <b>CAPITAL AND RESERVES</b>              |                  |                  |                   |
| Share capital                            | 600,000          | 583,847          | 583,847           |
| Share premium                            | 618,425          |                  |                   |
| Statutory reserve                        | 1,365,796        | 1,302,912        | 1,155,629         |
| Retained earnings                        | 1,255,881        | 3,734,938        | 7,374,729         |
|                                          | <b>3,840,102</b> | <b>5,621,697</b> | <b>9,114,205</b>  |
| <b>Shareholders' Funds</b>               | <b>5,139,350</b> | <b>7,264,795</b> | <b>10,865,663</b> |
| <b>Statement of Comprehensive Income</b> |                  |                  |                   |
|                                          | <b>2020</b>      | <b>2020</b>      | <b>2019</b>       |
|                                          | <b>N'000</b>     | <b>N'000</b>     | <b>N'000</b>      |
| Gross earnings                           | 2,712,158        | 2,447,266        | 3,628,821         |
| Profit before taxation                   | 850,121          | 1,406,809        | 2,273,311         |
| Profit after taxation                    | 503,063          | 1,178,271        | 1,900,445         |

**FIRST PENSION CUSTODIAN NIGERIA LIMITED**

|                                         | <b>2021</b><br><b>(N'000)</b> | <b>2020</b><br><b>(N'000)</b> | <b>2019</b><br><b>(N'000)</b> |
|-----------------------------------------|-------------------------------|-------------------------------|-------------------------------|
| <b>Assets</b>                           |                               |                               |                               |
| <b>Non-current Assets</b>               |                               |                               |                               |
| Property, plant and equipment           | 4,548,231                     | 4,104,652                     | 3,760,408                     |
| Intangible asset                        | 135,153                       | 194,283                       | 41,457                        |
| Right of use of Asset                   | 58,013                        | 98,963                        | 135,815                       |
| Deferred tax asset                      | 165,528                       | 109,763                       | 132,270                       |
|                                         | <b>4,906,925</b>              | <b>4,507,661</b>              | <b>4,069,950</b>              |
| <b>Current Assets</b>                   |                               |                               |                               |
| Trade & other receivables               | 872,645                       | 832,097                       | 856,936                       |
| Other assets                            |                               |                               | 59,476                        |
| Investment securities                   | 12,101,222                    | 10,342,165                    | 7,513,587                     |
| Cash & cash equivalents                 | 1,897,766                     | 2,191,766                     | 3,809,419                     |
|                                         | <b>14,871,633</b>             | <b>13,366,028</b>             | <b>12,239,418</b>             |
| <b>Total asset</b>                      | <b>19,778,558</b>             | <b>17,873,689</b>             | <b>16,309,368</b>             |
| <b>Equity and Liabilities</b>           |                               |                               |                               |
| <b>Equity</b>                           |                               |                               |                               |
| Share capital                           | 2,000,000                     | 2,000,000                     | 2,000,000                     |
| Retained earnings                       | 13,595,091                    | 12,094,176                    | 10,950,126                    |
| <b>Total equity</b>                     | <b>15,595,091</b>             | <b>14,081,391</b>             | <b>12,950,126</b>             |
| <b>Non- current liabilities</b>         |                               |                               |                               |
| Deferred tax liabilities                | -                             | -                             | -                             |
| Retirement benefit obligations          | 44,953                        | 30,646                        | 3,968                         |
|                                         | <b>44,953</b>                 | <b>30,646</b>                 | <b>3,968</b>                  |
| <b>Current liabilities</b>              |                               |                               |                               |
| Other liabilities                       | 1,345,227                     | 1,372,306                     | 1,396,911                     |
| Income tax liabilities                  | 2,793,287                     | 2,389,346                     | 1,958,363                     |
| <b>Total liabilities</b>                | <b>4,138,514</b>              | <b>3,792,298</b>              | <b>3,355,274</b>              |
| <b>Total equity and liabilities</b>     | <b>19,778,558</b>             | <b>17,873,689</b>             | <b>16,309,368</b>             |
| <b>Pension assets under custody</b>     | <b>4,306,728,230</b>          | <b>4,016,531,213</b>          | <b>3,278,050,565</b>          |
| <b>Non-pension assets under custody</b> | <b>-</b>                      | <b>-</b>                      | <b>-</b>                      |
| <b>Income Statement</b>                 |                               |                               |                               |
| Gross earnings                          | 8,547,852                     | 7,757,974                     | 7,539,995                     |
| Profit before income tax                | 5,602,817                     | 5,344,518                     | 5,134,017                     |
| Income tax expense                      | (1,839,904)                   | (1,613,450)                   | (822,316)                     |
| <b>Profit for the year</b>              | <b>3,762,913</b>              | <b>3,731,068</b>              | <b>4,311,701</b>              |
| <b>Per share data</b>                   |                               |                               |                               |
| Earnings per share – basic (kobo)       | 188                           | 187                           | 216                           |
| Net asset per share (Naira)             | 7                             | 7                             | 6                             |

| IEI ANCHOR PENSIONS MANAGER LIMITED      |                  |                  |                  |
|------------------------------------------|------------------|------------------|------------------|
|                                          | 2021<br>(N'000)  | 2020<br>(N'000)  | 2019<br>(N'000)  |
| <b>Assets</b>                            |                  |                  |                  |
| Cash and cash equivalents                | 104,826          | 119,385          | 119,230          |
| Trade receivables                        | 647,540          | 548,761          | 459,958          |
| Financial assets                         | -                | -                | -                |
| Property, plant & equipment              | 473,083          | 503,726          | 521,140          |
| Intangible assets                        | 17,067           | 17,686           | 17,417           |
| Deferred tax assets                      | 455,043          | 460,713          | 471,836          |
| <b>Total Assets</b>                      | <b>1,697,559</b> | <b>1,650,271</b> | <b>1,589,581</b> |
| <b>Liabilities &amp; Equity</b>          |                  |                  |                  |
| Tax payables                             | 76,643           | 55,954           | 46,264           |
| Borrowings                               | 26,500           | 38,500           | 10,200           |
| Other liabilities                        | 78,328           | 79,226           | 56,176           |
| Current income tax liabilities           | 14,785           | 13,057           | 7,657            |
| Deferred tax liabilities                 | 89,689           | 91,772           | 87,705           |
| <b>Total liabilities</b>                 | <b>285,945</b>   | <b>278,509</b>   | <b>208,001</b>   |
| <b>Non-current liabilities</b>           |                  |                  |                  |
| Borrowings                               | 26,500           | 38,500           | 40,300           |
| <b>Equity</b>                            |                  |                  |                  |
| Share capital                            | 2,222,000        | 2,222,000        | 2,222,000        |
| Share Premium                            | 65,170           | 65,170           | 65,170           |
| Retained earnings                        | (956,335)        | (988,993)        | (1,014,525)      |
| Statutory reserve                        | 48,151           | 40,957           | 36,006           |
| Revaluation reserve                      | 32,628           | 32,628           | 32,628           |
| <b>Total Equity</b>                      | <b>1,411,614</b> | <b>1,371,762</b> | <b>1,341,280</b> |
| <b>Total liabilities and equity</b>      | <b>1,697,559</b> | <b>1,650,271</b> | <b>1,589,581</b> |
| <b>Statement of Comprehensive income</b> |                  |                  |                  |
| Fees                                     | 989,323          | 861,525          | 847,994          |
| Interest income                          | 2,967            | 3,017            | 10,353           |
| Other Income                             | -                | -                | 1,811            |
|                                          | <b>864,542</b>   | <b>864,542</b>   | <b>860,159</b>   |
| Personnel expenses                       | (505,119)        | (422,955)        | (358,695)        |
| General and administrative expenses      | (346,734)        | (299,604)        | (372,425)        |
| Depreciation and Amortisation            | (54,963)         | (58,726)         | (63,697)         |
| Other Expenses                           | (35,151)         | (34,331)         | (40,290)         |
| Income tax expense                       | (6,618)          | (22,072)         | (23,910)         |
| <b>Profit for the year</b>               | <b>34,992</b>    | <b>29,179</b>    | <b>1,141</b>     |

| <b>INVESTMENT ONE PENSION MANAGERS LIMITED</b>      |                               |                               |                               |
|-----------------------------------------------------|-------------------------------|-------------------------------|-------------------------------|
|                                                     | <b>2021</b><br><b>(N'000)</b> | <b>2020</b><br><b>(N'000)</b> | <b>2019</b><br><b>(N'000)</b> |
| <b>ASSETS</b>                                       |                               |                               |                               |
| Cash & cash equivalent                              | 1,223,671                     | 1,344,706                     | 897,067                       |
| Financial Assets (held Maturity)                    | -                             | -                             | -                             |
| Financial Assets at amortised cost                  | -                             | -                             | 383,164                       |
| Other assets                                        | 32,567                        | 20,107                        | 32,948                        |
| Trade and other receivables                         | 34,525                        | 50,879                        | 34,379                        |
| Property, plant and equipment                       | 37,921                        | 44,026                        | 48,134                        |
| Intangible assets                                   | 20,504                        | 12,718                        | 8,847                         |
| Deferred tax asset                                  | 42,321                        |                               |                               |
| <b>Total Assets</b>                                 | <b>1,391,509</b>              | <b>1,472,433</b>              | <b>1,404,539</b>              |
| <b>LIABILITIES</b>                                  |                               |                               |                               |
| Other liabilities                                   | 74,585                        | 208,439                       | 171,032                       |
| Current income tax payable                          | 27,371                        | 4,657                         | 7,355                         |
|                                                     |                               | <b>853</b>                    |                               |
| <b>Total Liabilities</b>                            | <b>101,956</b>                | <b>213,096</b>                | <b>178,387</b>                |
| <b>Equity</b>                                       |                               |                               |                               |
| Share Capital                                       | 1,500,000                     | 1,500,000                     | 1,500,000                     |
| Share premium                                       | 107,192                       | 107,192                       | 107,192                       |
| Accumulated losses                                  | (346,511)                     | (373,696)                     | (401,986)                     |
| Statutory Reserves                                  | 28,872                        | 24,988                        | 20,946                        |
| <b>Total Equity</b>                                 | <b>1,289,553</b>              | <b>1,258,484</b>              | <b>1,226,152</b>              |
| <b>Total liabilities and equity</b>                 | <b>1,391,509</b>              | <b>1,472,433</b>              | <b>1,404,539</b>              |
| <b>Statement of Profit or Loss and other Income</b> |                               |                               |                               |
| Gross earnings                                      | 495,546                       | 411,975                       | 433,502                       |
| Profit/(loss) before tax                            | 15,248                        | 41,356                        | 58,310                        |
| Income tax expense                                  | 15,821                        | (9,024)                       | (1,785)                       |
| Profit/(loss) after tax                             | 31,069                        | 32,332                        | 56,525                        |
| Earnings per share (basic and diluted)              | 2.07                          | 2.16                          | 3.77                          |
| Net asset per share                                 | 84                            | 84                            | 82                            |

**LEADWAY PENSURE PFA LIMITED**

|                                     | <b>2021</b>      | <b>2020</b>      | <b>2019</b>      |
|-------------------------------------|------------------|------------------|------------------|
|                                     | <b>(N'000)</b>   | <b>(N'000)</b>   | <b>(N'000)</b>   |
| <b>ASSETS</b>                       |                  |                  |                  |
| Cash & bank balances                | 3,580,679        | 2,923,487        | 1,529,554        |
| Restricted cash                     | 1,182,581        | 814,834          |                  |
| Financial Assets- at amortised cost | 2,742,583        | 2,927,787        | 3,298,535        |
| Other assets                        | 1,592,926        | 1,422,244        | 1,094,069        |
| Intangible assets                   | 89,691           | 82,538           | 113,292          |
| Property plant and equipment        | 385,774          | 445,517          | 496,463          |
| Right-of-use assets                 | 33,628           | 54,633           | 105,322          |
| Investment property                 | -                | -                | 692,687          |
| Deferred tax assets                 | -                | -                | 932              |
| <b>Total assets</b>                 | <b>9,607,862</b> | <b>8,671,040</b> | <b>7,330,854</b> |
| <b>LIABILITIES</b>                  |                  |                  |                  |
| Other liabilities                   | 1,153,887        | 936,685          | 659,525          |
| Current income tax payable          | 777,924          | 603,079          | 501,167          |
| Lease liabilities                   | -                | 37,935           | 67,431           |
| Deferred tax liabilities            | 29,636           | 34,317           | -                |
| <b>Total liabilities</b>            | <b>1,961,447</b> | <b>1,612,016</b> | <b>1,228,123</b> |
| <b>Equity</b>                       |                  |                  |                  |
| Share Capital                       | 2,000,000        | 1,642,361        | 1,642,361        |
| Share premium                       | -                | 53,465           | 53,465           |
| Statutory Reserve                   | 1,567,744        | 1,359,400        | 1,134,793        |
| Retained earnings                   | 4,078,671        | 4,003,798        | 3,272,112        |
| <b>Total equity</b>                 | <b>7,646,415</b> | <b>7,059,024</b> | <b>6,102,731</b> |
| <b>Total liabilities and equity</b> | <b>9,607,862</b> | <b>8,671,040</b> | <b>7,330,854</b> |
| <b>Statement of Profit or Loss</b>  |                  |                  |                  |
| Gross Income                        | 6,446,250        | 5,764,904        | 5,287,131        |
| Profit before income tax expense    | 2,437,144        | 2,433,145        | 1,927,585        |
| Profit for the year                 | 1,666,750        | 1,796,853        | 1,472,942        |

**NLPC PENSION FUND ADMINISTRATORS LIMITED**

|                                      | <b>2021</b>      | <b>2020</b>      | <b>2019</b>      |
|--------------------------------------|------------------|------------------|------------------|
|                                      | <b>(N'000)</b>   | <b>(N'000)</b>   | <b>(N'000)</b>   |
| <b>BALANCE SHEET</b>                 |                  |                  |                  |
| <b>ASSETS</b>                        |                  |                  |                  |
| <b>Non- current Assets</b>           |                  |                  |                  |
| Property, plant and equipment        | 836,699          | 715,253          | 748,954          |
| Financial assets                     | 1,027,662        | 2,034,710        | 1,342,168        |
| Intangible assets                    | 54,580           | 64,968           | 53,822           |
| Trade and Other Receivables          | 421,412          | 550,531          |                  |
| Cash and Cash Equivalents            | 323,448          | 589,527          |                  |
|                                      | <b>2,663,801</b> | <b>3,954,989</b> | <b>2,282,555</b> |
| <b>Equity and Reserves</b>           |                  |                  |                  |
| Paid up Share Capital                | 1,500,000        | 1,493,486        | 1,493,486        |
| Share Premium                        | 14,711           | 21,224           | 21,224           |
| Statutory Reserves                   | 596,696          | 544,838          | 432,759          |
| Fair-Value Reserves                  | (456,981)        | 304,782          |                  |
| Retained earnings                    | 328,194          | 856,606          | 314,915          |
|                                      | <b>1,982,620</b> | <b>3,230,936</b> | <b>2,282,555</b> |
| <b>Turnover and Profits</b>          |                  |                  |                  |
| Total Income                         | 3,587,812        | 3,931,605        | 2,926,557        |
| Profits before Taxation              | 430,823          | 1,303,283        | 426,629          |
| Taxation                             | 95,959           | 326,651          | 106,589          |
| Profits after taxation               | 334,864          | 976,632          | 320,039          |
| Basic Earnings Per N1 Ordinary Share | 22.32            | 65.39            | 21.43            |
| Net Assets Per N1 Ordinary Share     | 216.34           | 216.34           | 152.83           |

| <b>NPF PENSIONS LIMITED</b>                         |                   |                   |                  |
|-----------------------------------------------------|-------------------|-------------------|------------------|
|                                                     | <b>2021</b>       | <b>2020</b>       | <b>2019</b>      |
|                                                     | <b>(N'000)</b>    | <b>(N'000)</b>    | <b>(N'000)</b>   |
| <b>ASSETS</b>                                       |                   |                   |                  |
| Cash & bank balances                                | 255,165           | 322,750           | 1,368,729        |
| Restricted funds                                    | 1,391,032         | 670,883           |                  |
| Investment securities                               | 492,881           | 243,511           | 441,844          |
| Trade and other receivables                         | 766,034           | 707,776           | 862,747          |
| Prepayments                                         | 179,764           | 231,065           | 209,267          |
| Property, plant and equipment                       | 7,528,641         | 8,309,194         | 6,755,492        |
| Intangible assets                                   | 28,891            | 7,581             | 10,644           |
| Deferred tax assets                                 | -                 | -                 | -                |
| <b>Total Assets</b>                                 | <b>10,642,408</b> | <b>10,492,760</b> | <b>9,648,723</b> |
| <b>Liabilities</b>                                  |                   |                   |                  |
|                                                     | <b>2,716,766</b>  | <b>2,480,284</b>  | <b>4,159,710</b> |
| <b>Equity</b>                                       |                   |                   |                  |
| Share capital                                       | 2,138,571         | 2,138,571         | 1,740,733        |
| Share Premium                                       | 1,483,782         | 1,483,782         | -                |
| General reserve                                     | 2,921,050         | 3,053,177         | 2,567,253        |
| Statutory reserve                                   | 1,012,638         | 832,931           | 665,750          |
| Grant                                               | 369,601           | 504,014           | 515,277          |
| <b>Total Shareholders' equity</b>                   | <b>7,925,642</b>  | <b>8,012,476</b>  | <b>5,489,013</b> |
| <b>Total liabilities &amp; shareholders' equity</b> | <b>10,642,408</b> | <b>10,492,760</b> | <b>9,648,723</b> |
| <b>Funds under management</b>                       |                   |                   |                  |
| Gross revenue                                       | 7,605,067         | 6,715,088         | 5,997,510        |
| Net operating income                                | -                 | -                 | 1,836,318        |
| Information Technology                              | (31,986)          | (24,346)          |                  |
| Development Levy                                    |                   |                   | (18,363)         |
| Profit before taxation                              | 2,064,337         | 2,131,109         | 1,817,955        |
| Taxation                                            | (626,686)         | (793,660)         | (593,930)        |
| Profit after taxation                               | 1,437,651         | 1,337,449         | 1,224,025        |
| Earnings per share (kobo)                           |                   |                   |                  |
| Basic                                               | 67                | 63                | 70               |

| <b>OAK PENSIONS LIMITED</b>               |                               |                               |                               |
|-------------------------------------------|-------------------------------|-------------------------------|-------------------------------|
|                                           | <b>2021</b><br><b>(N'000)</b> | <b>2020</b><br><b>(N'000)</b> | <b>2019</b><br><b>(N'000)</b> |
| <b>BALANCE SHEET</b>                      |                               |                               |                               |
| <b>ASSETS</b>                             |                               |                               |                               |
| Cash & cash equivalents                   | 1,180,173                     | 1,056,423                     | 191,375                       |
| Trade and other receivables               | 333,943                       | 277,535                       | 232,885                       |
| Financial investments – Held for trading  | -                             | -                             | 519,750                       |
| Financial investments – Held to maturity  | 273,028                       | 274,066                       | 325,892                       |
| Financial investments- Available for sale | 126,287                       | 102,337                       | 165,542                       |
| Other assets                              | 14,025                        | 13,251                        | 12,299                        |
| Property, plant and equipment             | 479,927                       | 482,010                       | 462,995                       |
| Intangible assets                         | 38,741                        | 36,825                        | 26,907                        |
| Statutory cash reserve                    | 63                            | 90,732                        | 86                            |
| <b>Total assets</b>                       | <b>2,446,187</b>              | <b>2,333,180</b>              | <b>1,937,732</b>              |
| <b>Liabilities</b>                        |                               |                               |                               |
| Trade and other payables                  | 128,000                       | 121,280                       | 154,005                       |
| Other liabilities                         | -                             | -                             | -                             |
| Income tax payables                       | 72,154                        | 63,648                        | 50,592                        |
| Deferred tax payables                     | 2,976                         | 2,976                         | 2,976                         |
| Impairment provision                      | 2,996                         | 2,996                         | 2,996                         |
| <b>Total liabilities</b>                  | <b>206,126</b>                | <b>190,900</b>                | <b>210,569</b>                |
| <b>Equity</b>                             |                               |                               |                               |
| Share Capital                             | 1,050,000                     | 1,050,000                     | 1,050,000                     |
| Share Premium                             | 116,388                       | 116,388                       | 116,388                       |
| Statutory reserve                         | 242,716                       | 199,394                       | 355,831                       |
| Available for sale reserve                | -                             | -                             | (200,901)                     |
| Pension Protection Fund                   | 110,795                       | 74,517                        | -                             |
| Retained earnings                         | 720,163                       | 701,981                       | 405,845                       |
| <b>Total Equity</b>                       | <b>2,240,061</b>              | <b>2,142,280</b>              | <b>1,727,163</b>              |
| Gross earnings                            | 1,566,206                     | 1,428,131                     | 1,285,523                     |
| Profit before income tax                  | 412,631                       | 413,262                       | 333,661                       |
| Income tax expenses                       | (66,056)                      | (57,550)                      | (45,268)                      |
| Profit for the year after income tax      | 346,575                       | 355,712                       | 288,393                       |
| Earnings per share (in kobo)              | 12                            | 12                            | 27                            |

| <b>PENSION ALLIANCE LIMITED</b> |                  |                  |                  |
|---------------------------------|------------------|------------------|------------------|
|                                 | <b>2021</b>      | <b>2020</b>      | <b>2019</b>      |
|                                 | <b>(N'000)</b>   | <b>(N'000)</b>   | <b>(N'000)</b>   |
| <b>BALANCE SHEET</b>            |                  |                  |                  |
| <b>ASSETS</b>                   |                  |                  |                  |
| Cash and bank balances          | 2,925,078        | 2,178,754        | 481,727          |
| Statutory reserve deposit       | 2,015,706        | 1,650,800        | 1,347,746        |
| Investment in debt securities   | 977,046          | -                | 569,780          |
| Loans and advances              | 59,627           | 63,423           | 95,964           |
| Other assets                    | 923,988          | 981,615          | 1,095,010        |
| Right-of-use assets             | 81,406           | 159,562          | 245,361          |
| Intangible assets               | 49,639           | 66,205           | 84,521           |
| Deferred tax asset              |                  |                  | -                |
| Property and equipment          | 395,140          | 429,930          | 412,790          |
| <b>Total Assets</b>             | <b>7,427,630</b> | <b>5,530,289</b> | <b>4,332,900</b> |
| <b>LIABILITIES</b>              |                  |                  |                  |
| Current income tax liability    | 686,033          | 497,619          | 476,567          |
| Deferred income tax liability   | 84,027           | 78,001           | 17,100           |
| Other liabilities               | 1,645,692        | 667,454          | 686,087          |
| <b>Total liabilities</b>        | <b>2,415,752</b> | <b>1,243,074</b> | <b>1,179,754</b> |
| <b>NET ASSETS</b>               | <b>5,011,878</b> | <b>4,287,215</b> | <b>3,153,146</b> |
| <b>CAPITAL AND RESERVES</b>     |                  |                  |                  |
| Share Capital                   | 1,100,000        | 1,100,000        | 1,100,000        |
| Share premium                   | 51,000           | 51,000           | 51,000           |
| Statutory reserve               | 1,419,050        | 1,203,467        | 1,016,952        |
| Retained earnings               | 2,441,828        | 1,932,748        | 985,194          |
| <b>SHAREHOLDERS' FUND</b>       | <b>5,011,878</b> | <b>4,287,215</b> | <b>3,153,146</b> |
| Operating income                | 5,667,361        | 5,087,153        | 4,898,391        |
| Profit before tax               | 2,563,830        | 2,142,052        | 1,842,564        |
| Tax                             | (839,167)        | (649,933)        | (501,221)        |
| Profit after tax                | 1,724,663        | 1,492,119        | 1,341,343        |
| Earnings per share (k)          | 157              | 136              | 122              |

| <b>PREMIUM PENSION LIMITED</b>                |                  |                  |                  |
|-----------------------------------------------|------------------|------------------|------------------|
|                                               | <b>2021</b>      | <b>2020</b>      | <b>2019</b>      |
|                                               | <b>(N'000)</b>   | <b>(N'000)</b>   | <b>(N'000)</b>   |
| <b>ASSETS</b>                                 |                  |                  |                  |
| Property and equipment                        | 2,855,770        | 2,985,840        | 2,923,818        |
| Intangible assets                             | 26,092           | 32,131           | 57,998           |
| Investment securities                         | 912,789          | 512,148          | 472,406          |
|                                               | <b>3,794,651</b> | <b>3,530,119</b> | <b>3,454,222</b> |
| Trade and other receivables                   | 965,063          | 928,812          | 896,753          |
| Investment securities                         | 865,980          | 564,420          | 989,613          |
| Prepayments                                   | 650,372          | 650,372          | 312,724          |
| Cash and cash equivalents                     | 3,028,613        | 2,417,821        | 1,667,008        |
|                                               | <b>5,451,779</b> | <b>4,561,425</b> | <b>3,866,098</b> |
| <b>Total assets</b>                           | <b>9,246,430</b> | <b>8,091,544</b> | <b>7,320,320</b> |
| Deferred tax liabilities                      | 579,357          | 570,893          | 539,860          |
| Other liabilities and accrued expenses        | 134,147          | 95,667           | 64,762           |
| <b>Total liabilities</b>                      | <b>713,504</b>   | <b>666,560</b>   | <b>604,622</b>   |
| Other liabilities and accrued expenses        | 1,135,264        | 1,175,487        | 886,624          |
| Tax payable                                   | 970,917          | 944,480          | 911,870          |
| Defined contribution liability                | -                | -                | -                |
| <b>Current liabilities</b>                    | <b>2,106,181</b> | <b>2,119,967</b> | <b>1,798,494</b> |
| <b>Total liabilities</b>                      | <b>2,819,685</b> | <b>2,786,527</b> | <b>2,403,116</b> |
| <b>Equity</b>                                 |                  |                  |                  |
| Share capital                                 | 657,127          | 657,127          | 657,127          |
| Share premium                                 | 97,162           | 97,162           | 97,162           |
| Retained earnings                             | 2,352,605        | 1,460,575        | 1,323,270        |
| Statutory reserves                            | 2,412,766        | 2,184,068        | 1,932,058        |
| Revaluation reserve                           | 900,147          | 900,147          | 900,147          |
| Fair value reserve                            | -                | -                | -                |
| Treasury shares reserve                       | (910)            | (910)            | (159)            |
| Capital reserve                               | 6,848            | 6,848            | 7,599            |
| <b>Total equity</b>                           | <b>6,426,745</b> | <b>5,305,017</b> | <b>4,917,204</b> |
| <b>Total liabilities and equity</b>           | <b>8,091,544</b> | <b>8,091,544</b> | <b>7,320,320</b> |
| <b>Revenue</b>                                | <b>8,497,163</b> | <b>7,833,850</b> | <b>7,833,850</b> |
| Profit on ordinary activities before taxation | 2,999,281        | 2,969,544        | 3,003,874        |
| Taxation                                      | (1,040,353)      | (937,964)        | (749,996)        |
| Profit on ordinary activities after taxation  | 1,958,928        | 2,031,580        | 2,253,981        |
| Earnings per share – basic/diluted (kobo)     | 298              | 309              | 343              |

| RADIX PENSION FUND MANAGERS LIMITED |                  |                |                |
|-------------------------------------|------------------|----------------|----------------|
|                                     | 2021             | 2020           | 2019           |
|                                     | (N'000)          | (N'000)        | (N'000)        |
| <b>ASSETS</b>                       |                  |                |                |
| Cash & cash equivalent              | 653,266          | 591,766        | 33,803         |
| Financial Assets (held Maturity)    | -                | -              | -              |
| Due from related parties            | 70,409           | 42,666         | 386,645        |
| Other receivables and prepayment    | 140,159          | 123,790        | 124,633        |
| Property, plant and equipment       | 185,437          | 199,824        | 163,646        |
| Intangible Asset                    | 40,574           | 27,438         | 15,925         |
| Deferred tax asset                  | 200              | 200            | 200            |
| <b>Total Assets</b>                 | <b>1,090,046</b> | <b>985,684</b> | <b>724,852</b> |
| <b>LIABILITIES</b>                  |                  |                |                |
| Accounts payable                    | 117,881          | 117,881        | 83,915         |
| Short term borrowing                | -                | -              | 5,766          |
| Income tax payable                  | 15,819           | 15,033         | 14,802         |
| Deferred tax liabilities            | -                | -              | -              |
| <b>Total Liabilities</b>            | <b>89,331</b>    | <b>132,914</b> | <b>104,482</b> |
| <b>Equity</b>                       |                  |                |                |
| Share Capital                       | 1,250,000        | 1,250,000      | 1,000,000      |
| Share premium                       | 375,000          | 375,000        | 375,000        |
| Statutory Reserve                   | 16,926           | 16,926         | 16,926         |
| Retained earnings                   | (1,516,861)      | (1,314,806)    | (1,021,556)    |
| Preference Shares                   | 250,000          | 250,000        | 250,000        |
|                                     | <b>1,000,715</b> | <b>852,770</b> | <b>620,369</b> |
|                                     | <b>1,090,046</b> | <b>985,684</b> | <b>724,852</b> |
| <b>Revenue</b>                      |                  |                |                |
| Fee and interest income             | 156,049          | 92,443         | 115,511        |
| (Loss)/profit before tax            | (201,275)        | (293,018)      | (328,829)      |
| (Loss)/profit after tax             | (202,055)        | (293,249)      | (329,350)      |
| (Loss)/earnings Per Share           | (0.16)           | (0.23)         | (0.33)         |

| <b>SIGMA PENSIONS LIMITED</b>               |                  |                  |                  |
|---------------------------------------------|------------------|------------------|------------------|
|                                             | <b>2021</b>      | <b>2020</b>      | <b>2019</b>      |
|                                             | <b>(N'000)</b>   | <b>(N'000)</b>   | <b>(N'000)</b>   |
| <b>ASSETS</b>                               |                  |                  |                  |
| Cash and cash equivalent                    | 2,752,396        | 1,651,037        | 859,321          |
| Loans and other receivables                 | 857,758          | 740,359          | 761,345          |
| Investment securities                       | -                | 417,939          |                  |
| Investment securities (restricted balances) | 1,113,037        | 292,812          | 1,022,330        |
| Restricted balances and other assets        | 1,802,470        | 2,098,762        | 1,106,989        |
| Property, plant and equipment               | 504,934          | 566,120          | 641,173          |
| Right-of-use asset                          | 417,080          | 497,910          | 574,195          |
| Intangible asset                            | 352,159          | 356,106          | 196,359          |
| Deferred tax assets                         | 44,495           | 3,082            | 19,832           |
| <b>Total Assets</b>                         | <b>7,844,329</b> | <b>6,623,727</b> | <b>5,181,544</b> |
| <b>LIABILITIES</b>                          |                  |                  |                  |
| Lease liabilities                           | 365,459          | 470,233          | 438,797          |
| Income tax liabilities                      | 853,930          | 718,602          | 667,769          |
| Deferred tax liabilities                    | -                | -                | -                |
| Other liabilities                           | 1,126,016        | 1,096,485        | 721,436          |
| <b>Total liabilities</b>                    | <b>2,345,405</b> | <b>2,285,326</b> | <b>1,828,002</b> |
| <b>EQUITY</b>                               |                  |                  |                  |
| Share capital                               | 984,539          | 984,539          | 984,539          |
| Share Premium                               | 77,511           | 77,511           | 77,511           |
| Statutory reserves                          | 1,729,172        | 1,528,726        | 1,331,778        |
| Revaluation reserve                         | -                | -                | -                |
| <b>Retained earnings</b>                    | <b>2,707,702</b> | <b>1,747,625</b> | <b>959,714</b>   |
| <b>Total Equity</b>                         | <b>5,498,924</b> | <b>4,338,407</b> | <b>3,353,542</b> |
| <b>Total equity and liabilities</b>         | <b>7,844,329</b> | <b>6,623,727</b> | <b>5,181,544</b> |
| <b>Statement of comprehensive income</b>    |                  |                  |                  |
| Revenue                                     | 5,763,799        | 5,154,940        | 4,875,384        |
| Net operating income                        | 2,415,967        | 2,310,941        | 1,887,096        |
| Taxation                                    | (812,401)        | (735,358)        | (580,254)        |
| <b>Profit after taxation</b>                | <b>1,603,566</b> | <b>1,575,583</b> | <b>1,306,842</b> |

| STANBIC IBTC PENSION MANAGERS LIMITED           |                      |                      |                      |
|-------------------------------------------------|----------------------|----------------------|----------------------|
|                                                 | 2021<br>(N'000)      | 2020<br>(N'000)      | 2019<br>(N'000)      |
| <b>Assets</b>                                   |                      |                      |                      |
| Cash and cash equivalent                        | 8,050,619            | 9,444,033            | 8,972,007            |
| Investible securities at FVTOCI                 | 48,834,277           | 60,883,116           | 43,646,124           |
| Investment securities at amortised cost         | 14,639,833           | 1,504,002            | 1,004,383            |
| Trade and other receivables                     | 4,682,304            | 3,892,113            | 6,849,125            |
| Prepayments                                     | 249,432              | 289,442              | 222,668              |
| Property & equipment                            | 17,308,737           | 4,078,953            | 3,527,997            |
| Right of use assets                             | 749,265              | 391,017              | 510,874              |
| Deferred tax assets                             | 14,087               | 243,769              | 199,072              |
| <b>Total Assets</b>                             | <b>94,528,554</b>    | <b>80,726,445</b>    | <b>64,932,250</b>    |
| <b>Liabilities</b>                              |                      |                      |                      |
| Trade and other payables                        | 8,556,043            | 7,445,710            | 6,536,022            |
| Tax payable                                     | 10,377,469           | 8,830,549            | 7,973,114            |
| Total Liabilities                               | 18,933,512           | 16,276,259           | 14,509,136           |
| <b>Net Assets</b>                               | <b>75,595,042</b>    | <b>64,450,186</b>    | <b>50,423,113</b>    |
| <b>Capital and Reserves</b>                     |                      |                      |                      |
| Share capital                                   | 1,000,000            | 1,000,000            | 1,000,000            |
| Reserves                                        | 74,595,042           | 63,450,186           | 49,423,144           |
| <b>SHAREHOLDERS' FUNDS</b>                      | <b>75,595,042</b>    | <b>64,450,186</b>    | <b>50,423,144</b>    |
| <b>Pension Funds under management</b>           |                      |                      |                      |
|                                                 | <b>3,760,386,620</b> | <b>3,760,386,620</b> | <b>3,168,193,072</b> |
|                                                 |                      |                      | 8,972,007            |
| <b>Statement of Comprehensive Income</b>        |                      |                      |                      |
| Revenue                                         | 46,062,363           | 39,924,807           | 40,375,171           |
| Impairment losses on financial assets           | (28,433)             | (28,433)             | 43,393               |
| Operating expenses                              | (13,483,351)         | (11,824,209)         | (12,114,639)         |
| Profit before tax                               | 32,587,668           | 28,072,165           | 28,303,925           |
| Tax                                             | (10,582,835)         | (8,778,547)          | (8,100,847)          |
| Profit after tax                                | 22,004,833           | 19,293,618           | 20,203,078           |
| Net changes in fair value of available for sale |                      |                      |                      |
| Financial assets                                | (1,536,674)          | 837,312              | 896,622              |
| <b>Total comprehensive income for the year</b>  | <b>20,468,159</b>    | <b>20,130,930</b>    | <b>21,099,700</b>    |
| <b>Appropriation</b>                            |                      |                      |                      |
| Transfer of statutory reserve                   | 2,750,604            | 2,411,702            | 2,525,385            |
| Transfer to retained earnings                   | 19,254,229           | 16,881,916           | 17,677,643           |
|                                                 | <b>22,004,833</b>    | <b>19,293,618</b>    | <b>20,203,028</b>    |
| Earnings per share (basic & diluted)            | 2200k                | 947k                 | 2020k                |
| Dividend per share                              | 541k                 | 541k                 | 613k                 |

| TRUSTFUND PENSIONS PLC                        |                   |                   |                   |
|-----------------------------------------------|-------------------|-------------------|-------------------|
|                                               | 2021              | 2020              | 2019              |
|                                               | (N'000)           | (N'000)           | (N'000)           |
| <b>Assets</b>                                 |                   |                   |                   |
| Cash and short term deposits                  | 1,503,776         | 1,162,611         | 591,018           |
| Trade and other receivables                   | 795,462           | 893,685           | 989,237           |
| Financial assets held to maturity             | -                 | -                 | -                 |
| Debt instruments at amortised cost            | 1,187,827         | 671,692           | 560,372           |
| Other assets                                  | 2,277,986         | 2,370,289         | 3,116,639         |
| Investment properties                         | 9,694,127         | 7,856,000         | 5,845,000         |
| Property, plant & equipment                   | 642,656           | 737,512           | 902,961           |
| Intangible assets                             | 76,770            | 62,399            | 21,451            |
| <b>Total Assets</b>                           | <b>16,178,604</b> | <b>13,754,188</b> | <b>12,026,678</b> |
| <b>Liabilities &amp; Equity</b>               |                   |                   |                   |
| Payables and other liabilities                | 1,649,648         | 420,874           | 486,064           |
| Tax payable                                   | 792,626           | 677,557           | 530,411           |
| Deferred tax liability                        | 164,336           | 162,464           | 220,738           |
| <b>Total liabilities</b>                      | <b>2,606,610</b>  | <b>1,260,895</b>  | <b>1,237,213</b>  |
| <b>Equity</b>                                 |                   |                   |                   |
| Share capital                                 | 2,000,000         | 2,000,000         | 2,000,000         |
| Retained premium                              | 184,100           | 184,100           | 184,100           |
| Retained earnings                             | 9,539,297         | 8,726,684         | 7,235,835         |
| Statutory reserve                             | 1,848,597         | 1,582,509         | 1,369,530         |
| <b>Total Equity</b>                           | <b>13,571,994</b> | <b>12,493,293</b> | <b>10,789,465</b> |
| <b>Total liabilities and equity</b>           | <b>16,178,604</b> | <b>13,754,188</b> | <b>12,026,678</b> |
| <b>Profit or Loss Account</b>                 |                   |                   |                   |
| Gross earnings for the year ended 31 December | 7,543,560         | 6,931,617         | 6,851,134         |
| Profit before income tax expense              | 2,938,726         | 2,343,913         | 1,899,692         |
|                                               | 2,128,701         | 1,703,828         | 1,380,181         |
| Earnings per share- Kobo (Basic and diluted)  | 106               | 85                | 69                |

| UBA PENSIONS CUSTODIAN LIMITED                 |                      |                      |                      |
|------------------------------------------------|----------------------|----------------------|----------------------|
|                                                | 2021                 | 2020                 | 2019                 |
|                                                | (N'000)              | (N'000)              | (N'000)              |
| <b>Assets</b>                                  |                      |                      |                      |
| Cash and cash equivalent                       | 11,113,741           | 12,693               | 3,262,176            |
| Investible securities                          | -                    | 368,954              | 6,493,412            |
| Financial asset designatedat FVTPL             |                      | 7,432,354            |                      |
| Property and equipment                         | 129,022              | 99,977               | 148,332              |
| Intangible asset                               | 65,004               | 90,141               | 120,323              |
| Other assets                                   | 1,085,485            | 1,188,335            | 1,162,982            |
| Deferred tax assets                            | 52,245               | -                    | 37,906               |
| <b>Total Assets</b>                            | <b>12,445,497</b>    | <b>9,192,454</b>     | <b>11,225,131</b>    |
| <b>Liabilities</b>                             |                      |                      |                      |
| Trade and other payables                       | 594,749              | 403,160              | 796,735              |
| Current tax liabilities                        | 2,490,953            | 1,523,532            | 1,582,397            |
| Other liabilities                              | 3,300,000            | 2,500,000            | 3,600,000            |
| Deferred tax liabilities                       | -                    | 7,022                | 12,852               |
| <b>Total liabilities</b>                       | <b>6,385,702</b>     | <b>4,433,714</b>     | <b>5,964,984</b>     |
| <b>Capital and Reserves</b>                    |                      |                      |                      |
| Share capital                                  | 2,000,000            | 2,000,000            | 2,000,000            |
| Retained earnings                              | 2,758,740            | 2,758,740            | 3,260,147            |
| <b>SHAREHOLDERS' FUNDS</b>                     | <b>6,059,795</b>     | <b>4,758,740</b>     | <b>5,260,147</b>     |
| <b>Pension Funds under management</b>          | <b>3,237,737,622</b> | <b>2,846,571,247</b> | <b>2,452,913,846</b> |
| <b>Gross Earnings</b>                          | <b>7,141,947</b>     | <b>6,210,787</b>     | <b>6,839,856</b>     |
| Personnel expenses                             | (486,961)            | (474,856)            | (513,039)            |
| Impairment (charge)/reversal on assets         | 427                  | 6,754                | 24,597               |
| Other operating expenses                       | (882,627)            | (2,224,693)          | (826,267)            |
| Profit before tax                              | 5,772,786            | 3,517,992            | 5,525,147            |
| Income tax expenses                            | (1,871,731)          | (1,519,399)          | (1,752,697)          |
| Profit after tax                               | <b>3,901,055</b>     | <b>1,998,593</b>     | <b>3,772,450</b>     |
| <b>Total comprehensive income for the year</b> | <b>3,901,055</b>     | <b>1,998,593</b>     | <b>3,772,450</b>     |

| VERITAS GLANVILLS PENSIONS LIMITED |                  |                  |                  |
|------------------------------------|------------------|------------------|------------------|
|                                    | 2021<br>(N'000)  | 2020<br>(N'000)  | 2019<br>(N'000)  |
| <b>ASSETS</b>                      |                  |                  |                  |
| Cash & Bank Balances               | 1,501,683        | 297,915          | 137,453          |
| Financial Assets                   | 1,678,251        | 617,696          | 603,605          |
| Trade and other receivables        | 176,035          | 171,695          | 153,594          |
| Prepayment and other assets        | 23,431           | 11,500           | 14,269           |
| Deferred tax assets                | 5,706            | 7,224            | 8,394            |
| Intangible assets                  | 32,397           | 24,599           | 32,314           |
| Property, plant and equipment      | 1,304,262        | 774,251          | 814,610          |
|                                    | <b>4,721,765</b> | <b>1,904,880</b> | <b>1,764,239</b> |
| <b>CURRENT LIABILITIES</b>         |                  |                  |                  |
| Trade and other payables           | 445,300          | 338,166          | 404,033          |
| Tax Payable                        | 51,538           | 36,412           | 10,560           |
| Deferred Tax Liability             | -                | -                | -                |
|                                    | <b>496,838</b>   | <b>374,578</b>   | <b>414,593</b>   |
| <b>Non-current liabilities</b>     |                  |                  |                  |
|                                    | -                | -                | -                |
| <b>Total liabilities</b>           | <b>374,578</b>   | <b>374,578</b>   | <b>414,593</b>   |
| <b>CAPITAL AND RESERVES</b>        |                  |                  |                  |
| Share Capital                      | 1,500,000        | 1,500,000        | 1,500,000        |
| Statutory Reserve                  | 128,890          | 102,079          | 79,497           |
| Deposit for Shares                 | 2,048,560        |                  |                  |
| Revaluation reserve                | 471,806          | 40,227           | 40,227           |
| Retained earnings                  | 75,671           | (112,004)        | (270,078)        |
|                                    | <b>4,224,927</b> | <b>1,530,302</b> | <b>1,349,646</b> |
| <b>SHAREHOLDER'S FUNDS</b>         |                  |                  |                  |
| Total liabilities and equity       | <b>4,721,765</b> | <b>1,904,880</b> | <b>1,764,239</b> |
| <b>Revenue</b>                     | <b>1,272,883</b> | <b>1,113,330</b> | <b>1,037,171</b> |
| Profit/(loss) Before Taxation      | 267,566          | 218,237          | 2,569            |
| Taxation                           | (53,080)         | (37,581)         | 95,391           |
| Appropriation to statutory reserve | -                | -                | -                |
| Profit/(loss) After Taxation       | <b>214,486</b>   | <b>180,656</b>   | <b>97,960</b>    |
| Earnings per share (Kobo)          |                  | 7                | 7                |

## ZENITH PENSIONS CUSTODIAN LIMITED

|                                     | 2021              | 2020              | 2019              |
|-------------------------------------|-------------------|-------------------|-------------------|
|                                     | (N'000)           | (N'000)           | (N'000)           |
| <b>ASSETS</b>                       |                   |                   |                   |
| Cash & cash equivalents             | 286,135           | 107,482           | 512,636           |
| Investment securities               | 24,860,187        | 24,284,059        | 22,589,177        |
| Trade and other receivables         | 1,023,376         | 1,071,278         | 1,271,411         |
| Prepayment                          | 616,260           | 646,153           | 140,927           |
| Intangible assets                   | 265,090           | 358,820           | 240,930           |
| Property, plant and equipment       | 168,030           | 165,971           | 209,509           |
| Deffered tax asset                  | 8,624             | 6,839             |                   |
| <b>Total assets</b>                 | <b>27,227,702</b> | <b>26,640,602</b> | <b>24,964,590</b> |
| <b>LIABILITIES</b>                  |                   |                   |                   |
| Current tax liabilities             | 1,984,022         | 1,575,693         | 1,529,258         |
| Other liabilities                   | 670,802           | 650,723           | 703,970           |
| Deferred Tax Liability              | -                 | -                 | -                 |
| <b>Total liabilities</b>            | <b>2,654,824</b>  | <b>2,226,416</b>  | <b>2,233,228</b>  |
| <b>EQUITY</b>                       |                   |                   |                   |
| Share Capital                       | 2,000,000         | 2,000,000         | 2,000,000         |
| Retained earning                    | 22,572,878        | 22,414,186        | 20,731,554        |
| <b>Total Equity</b>                 | <b>24,572,878</b> | <b>24,414,186</b> | <b>22,731,554</b> |
| <b>Total liabilities and equity</b> | <b>27,227,702</b> | <b>26,640,602</b> | <b>24,964,782</b> |
| Operating income                    | 10,589,982        | 9,648,438         | 9,720,170         |
| Operating expenses                  | (2,449,417)       | (2,379,869)       | (2,184,543)       |
| Profit before income tax            | 8,140,565         | 7,268,569         | 7,535,627         |
| Tax expense                         | (1,981,873)       | (1,585,936)       | (1,509,806)       |
| Profit for the year                 | <b>6,158,692</b>  | <b>5,682,633</b>  | <b>6,025,821</b>  |
| Earnings per share (Kobo)           | 308               | 284               | 301               |