2023 ANNUAL REPORT

At Your Service

OmniBSIC BANK

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CORPORATE PROFILE

OmniBSIC Bank is a fully-fledged universal bank that traces its roots to a merger between the erstwhile OmniBank and Sahel Sahara Bank. The merger was spurred by the banking sector consolidation program introduced by the Bank of Ghana (BOG) in 2017, through a number of directives including the increment of the minimum capital requirement almost fourfold. The union between the Banks is one of the most successful mergers in the financial services industry. It can be described as synergistic since both Banks shared similarities in business models, values, and were both committed to offering exceptional customer service in Ghana's banking industry. This milestone was achieved through the collaborative effort of Shareholders, Directors, Management, and the staff who showed a willingness to embrace change to become bigger and better in the Banking industry.

OmniBSIC has reinforced its corporate governance structures and invested in its infrastructure to comply with both BOG's Corporate Governance Directive and other regulatory requirments. The Bank is dedicated to maintaining the highest level of integrity, transparency, and accountability in all operations, thereby creating a reliable framework for customers to conduct their banking activities.

Headquartered in Accra's Airport City, OmniBSIC serves its customers through a network of 40 branches across Ghana. The Bank offers a comprehensive suite of products, services, and digital solutions tailored to corporate, SME, and individual needs, while actively supporting the communities it operates within. To deliver exceptional banking experiences daily, OmniBSIC prioritizes investment in technology and employee development. This commitment is reflected in its rigorous staff selection process and comprehensive training programs.

SERVICE EXCELLENCE

The Bank's primary strength lies in delivering outstanding customer service, a cornerstone it aims to further fortify by nurturing its employees and enhancing systems, processes, and infrastructure to ensure each customer encounter is exceptional.

In a competitive landscape where products are similar, exceptional service becomes the true differentiator. OmniBSIC Bank has made service excellence its defining characteristic from the moment a customer enters a branch or interacts through any channel, the Bank strives to exceed expectations at every touch-point until the transaction is complete.

Service excellence is not a one-time experience but a continuous process of improvement. Therefore, the Bank constantly explores ways to enhance its services and exceed customers' expectations.

The Bank believes that its commitment to service excellence set it apart from its peers and has helped to build lasting relationships with its customers, leading to the consistent growth of the Bank.

The Bank's well-trained Relationship Managers and frontline officers ensure 24/7 holistic customer satisfaction and work to ensure that the Bank's products and services meet the needs and expectations of valued customers.

Vision

To be the number one bank in customer service delivery and value creation for all stakeholders.

Mission

To provide excellent and innovative banking services to our customers through competent employees, extensive delivery channels and technology.

Values

C-R-E-A-T-E

C- Creativity
At OmniBSIC, we believe our employees are a constant source of innovation. Their ideas fuel the ongoing improvement of products, services, and processes, ultimately benefitting all our stakeholders.

R- Responsibility
We are transparent in all our operations and comply with all rules and regulations. We also strive to meet the pressing needs of the communities in which we operate.

E- Excellence
We strive to excel in every aspect of our business.

A- Accountability
We are committed to our work and take full responsibility for all our actions, and therefore always act in the best interest of the organization and all our stakeholders.

T- Team Work
We strive to support each other and make choices that put teamwork before individual performance.

E- Enthusiasm
We are positive, optimistic and act with a sense of urgency.

OUR PHILOSOPHY

At OmniBSIC, service excellence is the foundation of everything we do. We understand that building long-term, mutually beneficial relationships with our customers is key to our sustainability. With this in mind, we strive to create exceptional customer experiences guided by our five core pillars.

SERVICE EXCELLENCE

We exceed our customers' expectations and deliver an experience that satisfies our customers every time. Our organizational service excellence is reinforced by a culture of customer service excellence and continuous improvement.

BEST VALUE CREATION

We aim to create the best value for all our stakeholders and customers by delivering rapid and convenient banking, speedy trade transactions, and competitive pricing among several other products and services.

CONTINUOUS INNOVATION

Continuous innovation is a critical part of our culture. We strive to constantly introduce state-of-the-art technology in our processes, products and service designs. Furthermore, our culture of innovation is spearheaded by our people, who are committed to continuous product and service improvement.

EMPOWERED EMPLOYEES

Staff training and capacity building are a top priority to ensure we keep up with high standards of knowledge, professional conduct and service excellence. Our world-class performance management system enables us to reward our staff equitably, optimize our human resources and attract key talents from within the country and beyond.

AGGRESSIVE BUSINESS GROWTH

Our growth strategy hinges on a clear focus on high-potential customer segments. Backed by a well-defined plan, we actively pursue new opportunities and areas that can enhance business value, all while maintaining a prudent approach to risk management.


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@OmniBSICGh
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PCI DSS CERTIFIED
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CORPORATE INFORMATION

BOARD OF DIRECTORS	Simeon Patrick Kyei (Chairman) Daniel Asiedu Miguel Ribeiro Fiifi Brandful Afua Adubea Koranteng Mohamed Khaled Shalbek Teresa Effie Cooke Abdulsalam Eltayef Mustapha Abuhmaira Philip Oti-Mensah (Dr.)
SECRETARY	Akyaa Afreh Arhin Addo-Kufuor (Esq) Atlantic Tower Airport City Accra, Ghana GPS Address: GL-126-3809
INDEPENDENT AUDITOR	PricewaterhouseCoopers PwC Tower A4 Rangoon Lane Cantonments City PMB CT 42, Cantonments Accra, Ghana GPS Address: GL-045-8851
REGISTERED OFFICE	Atlantic Tower Airport City Accra, Ghana GPS Address: GL-126-3809

NAME OF CORRESPONDING BANK	ADDRESS
UBA-NEW YORK	1 Rockefeller Plz, New York, New York
AKTIF BANK	Esentepe Mahallesi, Kore Sehitleri Caddesi Aktif Bank Genel Mudurluk No: 8/1 Sisli Istanbul Turkiye
AFREXIM BANK	72 (b) El-Maahadel-Eshteraky Street-Heliopolis, Cairo 11341, Egypt
BANK OF BEIRUT	Head Office 66 Cannon Street, London EC4N 6AE
BANCO DE SABADELL	Plaza De Sant Roc 20, 08201 Sabadell, Barcelona, Spain
ARAB TURKISH BANK	Arab Turkish Bank, Valikonagi Caddesi 10, Nisantasi, Istanbul, Turkey

Profit Before Tax
GHS 150M

Total Assets
GHS 5.7Bn

Capital Adequacy Ratio
22.5%

Liquidity Ratio
99.5%

Return on Equity
26%

omniBSIC

HIGHLIGHTS OF AUDITED 2023 FINANCIAL STATEMENTS

BALANCE SHEET

Total Assets grew by **83%** from **GHS 3.1 Billion** in Dec. 2022 to **GHS 5.7 Billion** in **December 2023.**

Customer Deposits grew by **93%** from **GHS 2.5 Billion** to **GHS 4.87 Billion** as at **December 2023.**

ROE

Return on Equity inched up from **-47% in 2022** to **26% as of December 2023.**

CAR stood at **22.5%** higher than the regulatory minimum of **13%.**

Earning assets stood at **GHS 4.3 Billion** in Dec. 2023, witnessing a significant growth of **105%.**

HIGHLIGHTS OF AUDITED 2023 FINANCIAL STATEMENTS

EARNINGS

- Profit before tax was **GHS 150 million**, a growth of **218%** when compared to a loss of **GHS 127 million** in 2022.
- Net interest income grew by **309%** from **GHS 104 million in 2022** to **GHS 425 million in 2023.**
- Gross earnings increased from **GHS 430 million in 2022** to **GHS 920 million in 2023** representing a growth of **114%.**
- Operating income also grew significantly by **145%** from **GHS 218 million in 2022** to **GHS 534 million in 2023.**
- Cost - to - income ratio improved significantly from **90% in 2022** to **60% in 2023**


*788#

BOARD OF DIRECTORS

Miguel Ribeiro Fiifi Brandful
Board Member

Afua Adubea Koranteng
Board Member

Mohamed Khaled Shalbek
Board Member

Theresa Effie Cooke
Board Member

Philip Oti-Mensah (Dr.)
Executive Director/
Chief Operating Officer

Akyaa Afreh Arhin Addo-Kufuor (Esq)
Company Secretary

REPORT OF THE DIRECTORS

The Directors submit their report together with the audited financial statements of OmniBSIC Bank Ghana Ltd. (the "Bank") for the year ended 31 December 2023.

Statement of Directors' responsibilities

The Directors are responsible for the preparation of the financial statements that give a true and fair view of OmniBSIC Bank Ghana Ltd's financial position as at 31 December 2023, and of the profit or loss and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards (IFRS) with the IAS 29 Directive issued by the Institute of Chartered Accountants Ghana (ICAG) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930).

The Directors are also responsible for such internal control as the Directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

Going concern

The Directors have made an assessment of the ability of the Bank to continue as a going concern and have no reason to believe that the business will not be a going concern.

Principal activities

The Bank's principal activities comprise corporate, investment and retail banking under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). There was no change in the nature of the Bank's business during the year.

Financial results

The financial results of the Bank for the year ended 31 December 2023 are summarised below.

	GH¢'000
Profit after tax (attributable to equity holders)	121,193
to which is added the retained earnings deficit brought forward of	(654,428)
of which is transferred to	
- the credit risk reserve	(36,743)
- the statutory reserve	(60,597)
to which is added transfer to retained earnings of	6,000
leaving a deficit to be carried forward on the retained earnings of	(624,575)

Dividend

The Directors do not recommend dividend for the year ended 31 December 2023 (2022: Nil).

Directorship

The details of the Bank's Directors are shown on page 5. There was no change in directorship during the year.

No Director had any interests in the contracts or proposed contracts with the Bank during the year ended 31 December 2023, hence there were no entries recorded in the Interests Register as required by sections 194(6), 195(1)(a) and 196 of the Companies Act, 2019 (Act 992).

Capacity of Directors

The Bank ensures that only fit and proper persons are appointed to the Board after obtaining consent from the Bank of Ghana.

Directors' training

On appointment, Directors are provided a formal and tailored programme of induction to familiarise them with the Bank's businesses, the risks and strategic challenges the Bank faces, as well as the economic, competitive, legal and regulatory environment in which the Bank operates.

The Bank implements its policy on training to ensure that all Directors are trained and certified on regulatory policies and directives to ensure that all decisions made by the Board of Directors are sound and backed by relevant and up-to-date knowledge of regulatory and governance frameworks. Directors' trainings are facilitated by the National Banking College and the Bank of Ghana in line with the Corporate Governance Directive, 2018.

Interest in other body corporates

The Bank had no subsidiaries or associate entities during the year or as at year end.

Corporate social responsibilities

Corporate social responsibility activities can be found at note 34.

Audit fee payable

Professional fees agreed in respect of the audit of the financial statements of the Bank for the year ended 31 December 2023 has been disclosed in note 13 to the financial statements.

Auditor

The auditor, PricewaterhouseCoopers, will continue in office in accordance with Section 139 (5) of the Companies Act, 2019 (Act 992) and Section 81 of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

Approval of the financial statements

The financial statements of OmniBSIC Bank Ghana Ltd were approved by the Board of Directors on 28 March 2024 and signed on its behalf by:

SIMEON PATRICK KYEI
Chairman

DANIEL ASIEDU
Managing Director

Simeon Patrick Kyei
Chairman

On behalf of the Board of Directors, I am delighted to present to you the Bank's annual report for the financial year ended 31 December 2023.

It is gratifying to note that since the Bank commenced operations in 2017, it has successfully traversed the myriad of challenges posed along the way and emerged with an exceptional performance.

The Bank's performance in 2023 surpassed expectations across key metrics, including deposit growth, profitability, asset expansion, and return on equity. This achievement is a direct result of the Bank's well-defined strategies, meticulous implementation processes, and robust compliance monitoring tools.

I applaud all stakeholders who have contributed in diverse ways to the successes chalked by the Bank.

2023 in retrospect

Following the successful deployment of the new core banking application (Flexcube), I am glad to announce that the Bank received the Payment Card Industry Data Security Standard (PCIDSS) as well as the International Organization for Standardizations (ISO) 27001 certification in 2023. These certifications are crucial for ensuring the security and integrity of financial transactions and information management systems within the Bank. It also demonstrates the Bank's commitment to compliance with industry best practices.

In response to evolving customer preferences, technological advancements, and changing market dynamics, the Bank embarked on a comprehensive branch remodelling and branding initiative aimed at modernising our business locations, enhancing customer experience, and reinforcing our brand identity.

As part of its commitment to social responsibility, the Bank initiated quarterly Health Walks for its staff, customers, partners and the general public. Additionally, the Bank sponsored three (3) students to the University through its 'Bright But Needy' CSR initiative. Furthermore, the staff of the Bank donated various food items and toiletries to the residents of Lower Volta-Aveyime Bator in response to the Akosombo Dam spillage.

I am thrilled to announce that our esteemed Bank was voted the "Bank of the Year" 2023, at the Ghana Business Awards, among other awards which included:

- *Fastest Growing Corporate Bank, Ghana (2023) – Global Banking and Finance*
- *Customer Service 5-Star ratings (2023) - CIMG*
- *Best Commercial Bank, Ghana (2023) - World Business Outlook*
- *Best Emerging Bank Brand, Ghana (2023) – World Business Outlook*

These remarkable achievements attest to the Bank's commitment to excellence, innovation, and a customer-centric approach to banking while remaining resolute despite the challenges in the industry.

Future Outlook and Strategic Considerations

Looking ahead, we are committed to fostering a culture of integrity, collaboration, and continuous improvement. This dedication will fuel the development of lasting relationships with our customers, regulators, shareholders, and the communities we serve. We will remain actively engaged with our strategic partners, working collaboratively to achieve shared goals, accelerate innovation, and deliver superior products, services, and experiences for our valued customers.

To deliver exceptional products and services, OmniBSIC Bank recognizes the importance of a robust infrastructure and advanced digital platforms. As such, we are embarking on a transformative 'BIG DATA' initiative that aligns with our strategic objectives. This project will focus on creating, managing, and leveraging customer profiles. These profiles will enable us to proactively identify and anticipate our customers' banking needs, allowing us to consistently exceed expectations. Through this digital transformation agenda, OmniBSIC Bank will solidify its position as a leader in the banking industry, differentiating itself from competitors and establishing itself as more than "just another bank".

Conclusion

As a Bank, we will remain committed to our mission of excellence and innovation in the financial sector. With the continued guidance of our Board of Directors anchored by the visionary leadership of the Managing Director, I am confident that OmniBSIC Bank will continue to thrive and make a positive impact on the lives of our stakeholders and the broader community.

The unwavering support of our shareholders has been instrumental in our success. We extend our deepest gratitude to them for their trust and commitment. I also commend our management team and employees, for their dedication and contributions to our success.

This statement would not be complete without acknowledging the immeasurable contribution of our highly cherished customers to the progress of the Bank. Thank you for your confidence in OmniBSIC Bank. I look forward to successful years ahead.

EXECUTIVE MANAGEMENT TEAM

DANIEL ASIEDU
Managing Director

DR. PHILIP OTI-MENSAH
Executive Director/Chief Operating Officer

ANNE MARIE APPIAH
Group Head, Corporate Banking

GEORGE TETTEH OCANSEY
Divisional Head, Marketing

ERIC ABBAN
Divisional Head, Marketing

DOMINIC GODLOVES DONKOH
Chief Risk Officer

AKYAA AFREH ARHIN ADDO-KUFUOR
Group Head, Legal & Recovery Departments. Company Secretary

SYLVESTER YAOVI APEDOE JNR
Group Head, Information Technology

Daniel **Asiedu**

Managing Director

It is with great pleasure that I present this maiden edition of the annual report for OmniBSIC Bank Ghana Limited.

Reflecting on the Bank's journey over the years, I am delighted to report that despite the challenges posed by the Domestic Debt Exchange Program, the Bank has demonstrated resilience and achieved commendable results.

The Bank experienced unprecedented financial growth and achieved remarkable milestones. Our financial performance remained robust, underscoring the effectiveness of our strategic initiatives, the dedication of our employees and the confidence that our customers have in the Bank.

Financial Highlights

*In 2023, the bank's total assets grew from **GHS 3.1Bn** in 2022 to **GHS 5.7Bn** representing an 83.9% growth, mainly driven by a 93% growth in deposits. Operating income increased from **GHS 218M** in 2022 to **GHS 534M** in 2023, indicating improved revenue generation causing the Bank to end the year with a profit before Tax of **GHS 150M**, up from a loss of **GHS 127M** in 2022. The Bank's focus on customer acquisition and retention as core priorities accounted for this improved performance.*

The stabilisation of interest rates provided the opportunity for the Bank to capitalise on investment opportunities to generate additional income and diversify its asset base, which resulted in a significant growth in the Bank's investment portfolio, including securities and other financial instruments.

The Bank will continue to prioritise profitability by focusing on revenue diversification, cost efficiency, risk management, adaption to evolving market dynamics, embracing digital transformation, and anticipating customer needs with a view to enhancing service experience.

Future Outlook and Strategic Considerations

Looking ahead, the Bank will continue to focus on sustainable asset growth while maintaining prudent risk management practices to ensure long-term resilience, profitability and stakeholder value creation.

A look at the Bank's financial position and strength indicates that it is well-positioned to respond to new and emerging social, commercial, and economic trends that are shaping the future of banking as well as the varied needs of our customers.

The Bank will continue to improve on the progress made and prioritise a customer-focused approach to delivering excellent customer service experience for our customers. We will also foster long-term strategic partnerships to drive mutual success.

In 2024, we will introduce innovative financial products and solutions tailored to the evolving needs of our customers.

These strategic alignments will serve as a launch pad for the next phase of the Bank which is about to commence.

Critical to achieving these strategic objectives, the Bank will remain mindful of regulatory requirements, compliance standards and reporting requirements by the relevant regulatory authorities.

Conclusion

As we reflect on the events and achievements of the past year, it is essential to recognise the milestones we have chalked and the challenges we have overcome. The previous year was a testament to our resilience, adaptability, and collective determination to thrive in the face of adversity.

As we embark on a new financial year, filled with promise and possibilities, we will leverage the lessons learned and the achievements gained to improve the Bank's performance.

The Bank will continue to chart the course towards greater success, sustainability, and significance, guided by our shared values and unwavering commitment to excellence.

In conclusion, I wish to extend my immense gratitude to our valued customers, whose trust, loyalty, and patronage are the lifeblood of our business. We deeply cherish your partnership and remain committed to providing exceptional experiences and value to you in 2024 and beyond.

I would like to appreciate our Shareholders, your trust and confidence in our vision and leadership have been the cornerstone of our growth and sustainability. A special thanks goes to our Directors, whose strategic guidance, foresight, and governance have been invaluable in steering the Bank to greater heights.

My utmost gratitude also goes to the Bank's Management Team, who have relentlessly pursued excellence for the Bank as well as the employees who have made remarkable contributions to the Bank's success story.

It has been a pleasure working with you during the course of this year and I look forward to even greater years ahead for the Bank.

One Bank,
Convenient Products & Services

e-zwich

GhanaPay
My money, my way

Mobile Money

MTN Mobile Money

telecel cash

at Money

Remittance

Western Union

MoneyGram. money transfer

ria Money Transfer

UNITYLINK FINANCIAL SERVICES

small world Money Transfer

worldremit.

TRANSFAST Worldwide Money Transfer

Our E-Banking Channels

*788# VISA POS INTERNET BANKING ATM

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At Your Service

CORPORATE GOVERNANCE

Corporate governance relates to the systems, rules, processes and laws by which businesses are operated, regulated, directed and controlled with the view of achieving the long-term goals of the organisation while maintaining the right balance with stakeholders' interests. The stakeholders comprise both internal and external parties.

Corporate Governance practice

The Bank is guided in its Corporate Governance practices mainly by the Bank of Ghana, through the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) and Corporate Governance Directive 2018. The Bank's Corporate Governance philosophy encompasses not only regulatory and legal requirements, but also various internal rules, policies, procedures and practices established by the Board and anchored on the best practices of both local and international banks.

Key principles the Bank's Corporate Governance considers critical for the achievement of long-term objectives are transparency and accountability, backed by a strong system of internal controls, compliance, risk management and information system capabilities.

Shareholding Structures

The shareholding structure indicating voting rights and details of shares held by shareholders are as follows:

Shareholder	Type of Shares	% Shareholding	Voting rights
Joseph Siaw Adjepong	Ordinary shares	67.26	3
Ghana Amalgamated Trust	Ordinary shares	24.75	3
BSIC	Ordinary shares	5.21	1
Adelaide Adjepong	Ordinary shares	2.78	0

As at the reporting period, no Director, Key Management Personnel or Related Party owned shares in the Bank.

Board of Directors

The Bank's Board of Directors constitutes two (2) independent Directors including the Chairman, three Non-Executive Directors, and two Executive Directors namely the Managing Director and Chief Operating Officer as outlined below:

Composition	Number of Directors	% of Composition
Independent Directors	2	29
Non-Executive Directors	5	71
Executive Directors	2	29

The constitution of the Board ensures a balanced distribution of power and authority between executive and Non-Executive directors, safeguarding against any individual or group dominating the decision-making process.

Consistent with the Corporate Governance Directive, majority (86%) of the Directors are Ghanaian and 14% are foreigners as shown below:

Composition	Number of Directors	% of Composition
Ghanaian	6	86
Foreigners	1	14
Total	7	100

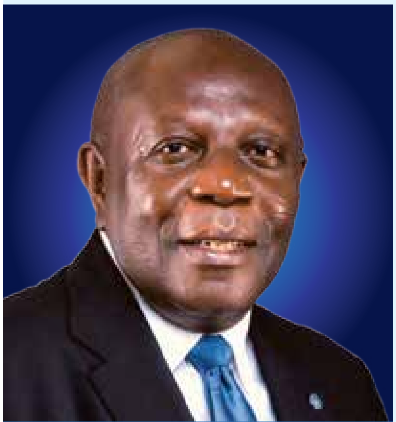
The Board approves the strategic plan and annual budget of the Bank through a rigorous review process to ensure that the corporate, functional, and business level strategies are cogent, clear and feasible.

In addition, the Board regularly monitors and evaluates the Bank's performance at a Sub-Committee level and at the main Board to ensure that the strategic goals and objectives of the Bank are achieved.

The Board performs these functions in line with its clearly defined responsibilities of governance, accountability, and business performance.

As at the reporting period, there were no related parties serving on the Board of the Bank.

Directors Qualification and Experience



Simeon Patrick Kyei

Simeon is a seasoned professional in the banking industry with almost four (4) decades of industry experience. He brings a wealth of knowledge to the Bank and provides priceless advice on banking operations and regulations. He previously worked at the Bank of Ghana for an impressive 32 years in the Supervisory Department responsible for Rural & Community Banks, the Research Department in charge of Public Finance, and ultimately as Director of the Human Resource Department. Simeon was also the Director of Budget at the Ministry of Finance where he worked closely with the Finance Minister on national economic matters including the implementation and monitoring of the annual budget of Ghana.

Simeon has extensive experience in chairing various boards and was a member of the GIFMIS Steering Committee. He holds an impressive array of academic qualifications, which includes a BA in Economics from the University of Ghana, an MBA (Finance) from the University of Ghana and a Post Graduate Diploma in Project Financing from Bradford University, United Kingdom.

Miguel Ribeiro Fiifi Brandful

Miguel is a highly experienced banker who brings to the Board immense knowledge due to his extensive work experience which spans over three decades. He began his illustrious career in Ecobank as a Credit Officer in 1993 and consistently rose through the ranks to head an impressive array of branches and departments in several locations across Africa including Sierra Leone, Uganda and Guinea.

Furthermore, Miguel is passionate about coaching and is always ready to pass on invaluable knowledge wherever required.

He has been a champion for the digitization of banking services in the branches where he has served. Miguel has a first degree from the University of Ghana, an MSc in Agriculture from the University of Reading, England and is also a Fellow of the Chartered Institute of Bankers. He is happily married with three daughters.

Afua Adubea Koranteng

Afua is an experienced international corporate lawyer with over 20 years experience in corporate governance, corporate law, mergers and acquisitions, telecom Infrastructure, and an Indepth Knowledge in navigating regulatory affairs in Ghana. She is a Co-founder and Managing Partner of Koranteng & Koranteng Legal Advisors, a Corporate/Commercial law firm in Ghana where she led the firm in the successful 2019 $3BN Government of Ghana Sovereign Bond and the 2020 $3BN Government of Ghana Sovereign Bond.

Afua is an advisor to the Government of Ghana's energy sector recovery programme where she engages with numerous Independent Power Producers and Gas Suppliers. Prior to CQ Legal, Afua served as Head of Legal and Company Secretary for ATC Ghana where she was responsible for all its commercial negotiations including ATC's $420m acquisition of MTN Ghana's tower infrastructure. Furthermore, Afua is a member of the Ghana Bar Association, the English and Welsh Bar as well as the Honourable Society of Lincoln's Inn.

Mohamed K.S. Shalbek

Shalbek, has an accomplished professional career in the banking sector with over 38 years of banking experience with National and Regional Banks.

He worked as the Head of Letters of Credit (LC) of foreign operations department Jomhoriya Bank, Head Office (formally Umma Bank) from 1976-1984. He then became the Head of LC of foreign operations department from 1984-1989. He served as the Deputy Manager for credit administration from 1992-1996 in Jomhoriya Bank, Head Office.

Mr. Mohamed K.S. Shalbek was the Manager for the International Foreign Operations Division in Jomhoriya Bank, Head Office in 2000. He became the Deputy Manager for the International financing division, BSIC Head Office Tripoli in 2001 and the Deputy Manager for Affiliated branches in 2002.

He was the Head of Credit division in April 2006- July 2006 for BSIC Head Office-Alwaha Bank and became the General Manager for BSIC Gambia from April 2006- April 2009.

He was the Deputy General Manager for BSIC Head Office-Alwaha Bank from 2009-2010. He was also the Manager in charge of the Credit Division, Head Office in 2011. He has also served as the Deputy Managing Director for BSIC Senegal from January 2012 – June 2013.

Mr. Mohamed K.S.Shalbek worked with the committee to set up a migration from the manual system of the record keeping to the present computerised system in Umma Bank. He was also responsible for the review of the operating and procedural manuals of all the departments having an input into the trial balance of the Bank.

He holds a Diploma in Finance and Banking Science from Arabic Academy for Finance and Banking Science, Aman Jordan from 1990-1991. He also obtained a Diploma in Credit administration in the same Institution.

Teresa Effie Cooke

Teresa is an HR Practitioner with over 25 years of invaluable experience in leading HR teams and supporting senior executives in people, culture and organizational development. Teresa's background includes senior leadership roles in HR Consulting, Banking and Retail. She is currently Global HR Director for d.light Design, a leading Solar Energy Innovator.

Effie is also Founder and Non-Executive Director of Capability Trust, a full-service HR Consulting firm in Ghana and currently serves on the Board of Golden Beach Hotels, Ghana. Prior to Founding Capability Trust, Effie was Africa Regional HR Director for Opportunity International.

Effie is a Senior Certified Professional (SHRM-SCP) and holds an undergraduate Degree in Law from Middlesex University and Post Graduate Certificates in Human Resources from Middlesex University and Cranfield University UK.

- **Role of the Board of Directors**

The Board of Directors have oversight responsibility for the long-term success of the Bank. They determine the strategic direction and appropriate culture and values of the Bank and ensure that strategies are cascaded through Executive Management to all departments and strategic business units of the Bank for optimal performance.

The Board ensures that the Bank's operations fairly combine commercial, risk management and control objectives to ensure that the risk-adjusted return on investment meets regulatory and shareholders' expectations.

Role of the Board of Directors (continued)

Additionally, the Board has a responsibility to ensure that the Bank maintains and reviews periodically the effectiveness of risk management systems, determining the aggregate level and types of risks necessary for achieving the strategic objectives.

The Board exercises its agenda by delegating strategy execution to the Managing Director who works with the Executive Committee (EXCO) to achieve the Bank's objectives.

Appointment of Directors

The members of the Board are appointed in accordance with the provisions of the Companies Act, 2019 (Act 992), the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), the Corporate Governance Directive, 2018 and other applicable directives.

In compliance with the fit and proper directive, every Director has been duly approved by the Bank of Ghana and remain fit and proper as a Board of Director.

Directors' Other Engagements

To ensure that Directors apportioned the required time to their oversight function in the Bank, the Board ensures that members' other directorship roles in other companies are few and limited in line with the Corporate Governance Directive issued by the Bank of Ghana.

Profile of Directors

Non- Executive	Position	Effective date of Appointment	Outside Board and Management Affiliation
Simeon Patrick Kyei	Independent Director / Chairman	29th May, 2020	None
Miguel Ribeiro Fiifi Brandful	Non-Executive Director	8th April, 2020	Feranaef Limited
Afua Adubea Koranteng	Non-Executive Director	5th May, 2020	Koranteng & Koranteng Legal Advisors Cedon Farms Limited Summit Industries Limited Okuapeman Senior High School
Mohamed Khaled Shalbek	Non-Executive Director	29th May, 2020	La Banque Sahélo-saharienne pour l'Investissement et le Commerce (BSIC)
Teresa Effie Cooke	Independent Director	5th May, 2020	Top Planners Construction
Executive	**Position**		**Outside Board and Management Affiliation**
Daniel Asiedu	Executive Director/ Managing Director	18th June,2021	Al Energy Petroleum Limited CTT Consult Limited G4S (Ghana) Limited Jospong Group Limited
Philip Oti-Mensah	Executive Director / Chief Operating Officer	7th October 2022	Aqua Safari Resort Limited Chamber of Small and Medium Enterprises Ghana Ekofin Consult Limited Icon Hostels Company Limited

Separation of Chairman and Managing Director roles

In accordance with the Corporate Governance Directive 2018, the Bank maintains a clear separation between the Board Chairman and the Managing Director roles. There are clear and defined roles and responsibilities of the Chairman and the Managing Director.

Management Reporting Structures

The Board of Directors have put in place systems and procedures that enable all Directors to be abreast with the performance of the Bank against strategic plans and budget. This include the various reports that are deliberated on at the various committee and the main board meetings.

Meetings of the Board of Directors

The Board meets quarterly but may hold extraordinary sessions as the business of the Bank demands. During 2023, four (4) board meetings were held and the meeting attendance register is as follows:

Director	Status	Meetings held	Meetings attended
Simeon Patrick Kyei	Chairman	4	4
Daniel Asiedu	Managing Director	4	4
Miguel Ribeiro Fiifi Brandful	Member	4	4
Afua Adubea Koranteng	Member	4	4
Mohamed Khaled Shalbek	Member	4	4
Teresa Effie Cooke	Member	4	4
Philip Oti-Mensah	Executive Director	4	4

Related Party Transactions

Consistent with regulation, all related party transactions were reviewed by the Board of Directors and are subject to appropriate restrictions. They were conducted on non-preferential basis and comply with all applicable legislation as seen in notes 35 to the financial statement.

Retirements, Resignations and removal of Directors and Key Management Personnel

Consistent with the Companies Act 992 and the Corporate Governance Directive, two (2) Directors were removed from the Board during the financial year. In addition, the Group Head of Operations, who is a Key Management Personnel retired from active service at the end of the financial year 2023. The Board and Executive Management have taken steps to replace these Directors and Key Management Personnel.

Succession Planning

The Board approved a succession plan that focuses on selecting, developing and retaining the best-qualified personnel ready to take up key positions in the Bank when there are vacancies to ensure compliance and business continuity. The plan shows two [2] successors in a consecutive manner for each Director, Executive Management and other Key Management Personnel.

Conflicts of Interest

The Bank maintains a Conflict of Interest Policy, which seeks to protect the interest of the Bank, promote honest and ethical conduct, as well as provide the guidelines and procedures for handling conflict of interest situations. The Board maintains an up-to-date register for documenting and managing conflict of interest situations wherein Directors, Key Management members and employees who manage operations that may be susceptible to conflict of interest are required to declare matters that are potential sources of conflict of interest.

In addition to voluntary declaration, the policy requires a mandatory annual disclosure of conflict of interest by Directors and Key Management Personnel. During the year, the mandatory and voluntary disclosures did not reveal any conflict of interest situation.

Evaluation of the Board Effectiveness

The Board's effectiveness is evaluated by the quality of its annual plan, meetings, information design, policy direction, performance monitoring, risk and compliance management and controls, as well as governance structures. These criteria are reviewed during in-house and external evaluation of effectiveness of the Board as a whole, its committees and the individual Directors.

Board Committees

The Board of Directors executes its functions through various committees, which have been set up in accordance with statutory requirements. Each committee has well defined Terms of Reference to guide their functions. The committees consider only matters that fall within their purview to avoid decision overlaps. The committees of the Board meet each quarter but may hold extraordinary meetings to address urgent issues that may arise.

The Board has the following five (5) committees:

- Audit Committee
- Risk Committee
- HR, Ethics & Compliance Committee
- Credit Committee
- Finance, Operations and ICT Committee

Audit Committee

In accordance with Section 56 of the Bank's and Specialised Deposit-Taking Institution Act 2016 (Act 930) and Section 54 of the Corporate Governance Directive 2018, an Audit committee comprising members of the Board and chaired by an Independent Director, has been established. The Audit Committee assists the Board in fulfilling its oversight responsibility of assurance that policies, processes, systems and structures are not only in place in line with best practice but are working well at all levels of the Bank.

The purpose of the Audit Committee is to:

- Assist the Board in its oversight of the Bank's internal and external audit functions.
- Advise the Board on the integrity of the Bank's financial reporting, including supporting the Board in meeting its responsibilities regarding financial statements.
- Monitor, on behalf of the Board, the effectiveness and objectivity of internal and external auditors.
- Provide input to the Board on its assessment of enterprise risk and determination of risk appetite as part of the overall Risk Management Strategy.
- Assist the Board in its oversight of the risk management framework and governance.

The Committee meets quarterly and provides a formal report to the Board at each quarterly meeting of the Board.

The Audit committee receives reports covering the following for its consideration from the Internal Auditor:

- Effectiveness of Internal Control
- Fraud and Defalcation

Because of the removal of an Independent Director during the year, the Board temporarily appointed a Non-Executive member to act pending the appointment of a new Director to fill the vacant position. It is expected that by the end of the first quarter of 2024, the replacement processes will be completed to ensure compliance with the Corporate Governance Directive.

The composition and meeting attendance of the Audit Committee during the year is outlined below.

Director	Role	Year appointed	Meetings held	Meetings attended
Miguel Fiifi Ribeiro Brandful	Chairman	2020	4	4
Mohamed Khaled Shalbek	Member	2020	4	4
Afua Adubea Koranteng	Member	2020	4	4

Internal Audit

The Bank maintains an effective and independent Internal Audit function that operates with clear roles, responsibilities, and reporting lines. The Internal Auditor, who is an independent Key Management Personnel, reports directly to the Audit Committee and indirectly to the Managing Director in line with the Corporate Governance Directive.

During the review period, the Audit Committee considered and discussed reports from the Auditor on Internal control exceptions, their root causes, management responses and remediation actions.

Other reports discussed during the year included fraud incidents, follow up actions regarding resolution of internal control exceptions as well as recoveries from fraud and defalcation.

The Board of Directors has approved the 2024 Internal Audit Programme that will adequately address the discovery of risk from business activities and internal control failures resulting from emerging risk across the Bank.

Roles and responsibilities

The Internal Audit Department has responsibility to evaluate and report on the effectiveness and adequacy of governance processes, compliance, risk management and internal controls.

Scope

The scope of Internal Audit encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the organization's governance, compliance, anti-money laundering programme, risk management, and internal controls. Internal Audit also has unrestricted access to information.

Risk Committee

In accordance with Section 56 of the Bank's and Specialised Deposit-Taking Institution Act 2016 (Act 930) and Section 55 of the Corporate Governance Directive 2018, a Risk Committee comprising members of the Board and chaired by an Independent Director, has been established.

The purpose of the Risk Committee is to assist the Board of Directors to define the Bank's risk appetite and overall Risk Management Strategy. The Committee ensures that Senior Management and all departments of the Bank are answerable to the Board for risk exposures across the Bank.

The role of the Committee includes:
- Oversight of the Bank's risk management framework, including the policies and procedures used in managing credit, market, operational and other risks.
- Oversight of the Bank's policies and procedures relating to risk management.
- Oversight of the performance of the credit review function of the Bank.
- Oversight of the operational risk function of the Bank.

The Risk Committee receives reports covering the following for its consideration from the Chief Risk Officer:
- Largest Exposures
- Risk Appetite Dashboard
- Credit, Market and Operational Risk
- Regulatory Capital
- Environmental and Social Risk

The composition and meeting attendance of the Risk Committee during the year is outlined below.

Director	Role	Year appointed	Meetings held	Meetings attended
Teresa Effie Cooke	Chairperson	2020	4	4
Afua Adubea Koranteng	Member	2020	4	4
Mohamed Khaleb Shalbek	Member	2020	4	4
Daniel Asiedu	Member	2021	4	4

Chief Risk Officer [CRO]

The CRO who is an independent Key Management Personnel reports directly to the Managing Director with unfettered access to the Board in line with the Corporate Governance Directive.

During the review period, the Risk Committee considered and discussed reports from the CRO on Credit, Market and Operational risk exposures across the Bank. The report addressed key risk as follows:
- Large Credit exposures and Asset Quality concerns
- Market risk exposures and their remedial actions
- Technology and Business Continuity Management
- Risk appetite and capital related risk
- Other operational risk matters that requires the Board attention

The Board of Directors has approved the 2024 Risk Management Strategy and Risk Appetite Framework across the business segments based on the business strategy. This appetite and framework sets the tolerable limit for business activities for which the CRO among other things will ensure that business operation remain within these limits.

Chief Risk Officer [CRO] (continued)

Roles and Responsibilities

The Risk Management Department of the Bank oversees credit, operational, and market risks. This entails implementing measures to minimize credit risks, operational disruptions, and monitoring of market fluctuations. By managing risks effectively, the department safeguards the bank's financial stability and reputation.

Scope

The scope of the risk management function encompasses, but is not limited to, implementing the approved risk management framework, appetite and strategy using appropriately resourced staff who have clearly defined roles and responsibilities and who possess appropriate experience and qualifications to exercise those responsibilities as set out in the BOG Risk Management directive.

Human Resource (HR), Ethics & Compliance Committee

In accordance with Section 56 of the Bank's and Specialised Deposit-Taking Institution Act 2016 (Act 930) and Section 58 of the Corporate Governance Directive 2018, an Human Resource (HR), Ethics & Compliance Committee comprising members of the Board and chaired by a Non- Executive Director, has been established.

The purpose of the Human Resource (HR), Ethics & Compliance Committee is to assist the Board to fulfil its oversight responsibility over the Human Resource, Ethics and Compliance activities of the Bank. The Committee is expected to work on specific tasks assigned by the Board as well as other relevant tasks and projects to ensure that the strategic objectives of the Bank in relation to Human Resources, Ethics and Compliance are met.

The Committee's responsibilities are as follows:

- Nominate a Committee responsible for recommending to the board individuals who are qualified for election or re-election as Directors.
- Advise the Board on matters relating to governance principles, monitoring developments in corporate governance, and adapting best practices to the needs and circumstances of OmniBSIC.
- Oversee and coordinate environmental, social, and governance (ESG) matters at the Board and its Committees, including ESG reporting and the Bank's approach to corporate citizenship.
- Ensure that Management has established practices and procedures relating to self-dealing, insider trading and personal loans, as required by law and approves the code of conduct and professional practices policy.
- Act as the Compensation Committee of the Board with responsibility to advise the Board on compensation risk management.
- Provide recommendations to the Board regarding the compensation of the Managing Director and the Chief Operating Officer, in light of the evaluation of their performance against approved performance indicators relevant to their compensation.
- Advise the Board on matters relating to Compliance Risk Management, which includes AML/CFT & P risk management on a periodic basis.

The Committee receives reports covering the following for its consideration from the Head, Human Capital and Head, Compliance & Anti-Money Laundering Reporting Officer:

- Personnel Cost and its Breakdown
- Male to Female ratio
- Occupational Health and Safety
- Compliance Risk
- Environmental, Social Principles
- Data Protection, Privacy and Management
- Anti-money Laundering

Human Resource (HR), Ethics & Compliance Committee (continued)

The composition and meeting attendance of the Human Resource (HR), Ethics & Compliance Committee during the year is outlined below:

Director	Role	Year appointed	Meetings held	Meetings attended
Afua Adubea Koranteng	Chairperson	2020	4	4
Teresa Effie Cooke	Member	2020	4	4
Philip Oti-Mensah (Dr.)	Member	2022	4	3

Compliance Function

The Head of Compliance who doubles as the Anti-money Laundering Officer and the data protection supervisor of the Bank is an independent Key Management Personnel reporting directly to the HR, Ethics and Compliance Committee and indirectly to the Managing Director in line with the Act 1044 and the Corporate Governance Directives.

During the review period, the Committee considered and discussed reports on existing and emerging compliance risk, anti-money laundering control effectiveness, compliance and AML breaches, their root causes, and remediation actions. Other reports discussed during the year included conduct risk incidents and follow up action regarding resolution of exceptions.

The Committee also discussed matters such as Privacy and data governance and management as part of this periodic reports.

The Board of Directors has approved the 2024 Compliance Programme that will adequately address the discovery of risk from business activities and compliance failures resulting from emerging risks across the Bank.

Roles and responsibilities

The Compliance function has responsibility to implement a programme that ensures that activities of the organisation meet all regulatory requirements and mitigate compliance and anti-money laundering risk.

Scope

The scope encompasses, but is not limited to the following;

- Regulatory and operational compliance
- Financial crime mitigation
- Conduct risk mitigation

Human Capital Department

The Head of the Human Capital Department presents reports relating to compensation, staffing and other resources initiatives to the HR, Ethics and Compliance Committee for discussions.

Credit Committee

In accordance with Section 56 of the Bank's and Specialised Deposit-Taking Institution Act 2016 (Act 930) and Section 58 of the Corporate Governance Directive 2018, a Credit Committee comprising members of the Board and chaired by a Non-Executive Director, has been established.

The Credit Committee is responsible for oversight of the Bank's credit risk. The primary responsibilities of the Committee are to:

- Review and approve the Credit Policy and Procedure manual.
- Review and discuss any significant internal audit findings related to the Credit function.
- Review and evaluate the adequacy of the work performed by the Head of Credit and ensure that they are independent and have adequate resources to perform their duties.
- The Credit Committee is responsible for approving credit facilities of the Bank.
- Review the provisioning methodology for credit losses and adequacy of the Bank's provisions for credit losses.
- Approve credit exposures in line with the credit approval limits approved by the Board.
- Review and recommend write offs for Board and Regulatory approval.

The Committee receives reports covering the following for its consideration from the Head, Credit;

- Asset Quality
- Disbursement
- Potential Problem Asset

The composition and meeting attendance of the Credit Committee during the year is outlined below.

Director	Role	Year appointed	Meetings held	Meetings attended
Miguel Ribeiro Fiifi Brandful	Chairperson	2020	4	4
Mohamed Khaleb Shalbek	Member	2020	4	4
Philip Oti-Mensah (Dr.)	Member	2022	4	3

Finance, Operations and ICT Committee

In accordance with Section 56 of the Bank's and Specialised Deposit-Taking Institution Act 2016 (Act 930) and Section 58 of the Corporate Governance Directive 2018, an Finance, Operations and ICT Committee comprising members of the Board and chaired by a Non- Executive Director, has been established.

The purpose of the Committee is to assist the Board to discharge its obligations in connection with issues relating to the Bank's Domestic and Foreign Operations, Information and Communications Technology, Cyber and Information Security, Financial Performance, Service Quality and E-Banking.

The role of the Committee is to:

- Review the annual budget and recommend same for the Board's approval.
- Assess and review the financial performance of the Bank.
- Assess and review the business and operational performance of the Bank.
- Assess and review other factors that may affect the performance of the Bank.
- Provide overview and scrutiny in other areas of financial and operational performance referred to the committee by the Board.
- Assess and review Information and Technology (IT) matters and their impact on the Bank.
- Assess and review Payment System technologies and their performance
- Assess and review Cyber Security matters and their impact on the Bank.
- Conduct an annual review of the medium to long-term strategies of the Bank, their implementation and outcomes.
- Consider and refer any issues of concern to the Board.
- Undertake any other responsibilities delegated by the Board.

Finance, Operations and ICT Committee (continued)

The Committee receives reports covering the following for its consideration from the Chief Operating Officer:

- Financial Performance
- Budget Performance
- Information Technology Systems performance and projects
- Payment Systems Performance and Project
- Cyber and Information Security performance

The composition and meeting attendance of the Finance, Operations and ICT Committee during the year is outlined below:

Director	Role	Year appointed	Meetings Held	Meetings attended
Mohamed Khaleb Shalbek	Chairperson	2020	4	4
Simeon Patrick Kyei	Member	2020	4	4
Miguel Ribeiro Fiifi Brandful	Member	2020	4	4
Daniel Asiedu	Member	2021	4	4
Philip Oti-Mensah (Dr.)	Member	2022	4	4

Summary of Board Activities

Committee	2023 Activity Summary	2024 Activity Summary
Board of Directors	The Board met four [4] times in 2023 to approve the operational budget, ratify the decisions of the sub-committees review operational performance and risk management activities. Additionally, the Board attended capacity building programs on emerging AML/CFT & P risk and Privacy and Data Protection. Also, the Board attended Corporate Governance Certification trainings during the year in fulfilment of the requirement of the Corporate Governance Directive. Finally, the Board participated in an in-house evaluation exercise.	It is the plan of the Boards to meet ordinarily about five [5] times in 2024 to approve the operational budget, ratify the decisions of the sub-committees review operational performance and risk management activities. Additionally, the Board intends to develop capacity on emerging AML/CFT & P risk, Privacy and Data Protection, ESG and Deposit Protection. Finally, the external evaluation of the Board, its Sub -Committees and the individual Directors is a major priority for the year.

Summary of Board Activities (continued)

Committee	2023 Activity Summary	2024 Activity Summary
Audit	Audit Committee met four [4] times in 2023 to approve its Program and budget, deliberate take decisions on the matters identified in the internal auditor's report. Additionally, the Committee assessed the performance of the internal auditor for the purposes of evaluating his effectiveness.	The Audit Committee plans to meet about five [5] times in 2024 to approve its Program and budget, deliberate take decisions on the matters identified in the internal auditor's report. Additionally, the Committee will assess the performance of the internal auditor for the purposes of evaluating his effectiveness.
Risk	The Committee met four [4] times in 2023 to approve the risk appetite and frameworks, deliberate and take decisions on the matters identified in the Chief Risk Officer's report. Additionally, the Committee assessed the performance of the Chief Risk Officer for the purposes of evaluating his effectiveness.	The Committee plans to meet about five [5] times in 2024 to approve the risk appetite and frameworks, deliberate and take decisions on the matters identified in the Chief Risk Officer's report. Additionally, the Committee will assess the performance of the Chief Risk Officer for the purposes of evaluating his effectiveness.
HR, Ethics & Compliance	HR, Ethics & Compliance Committee met four [4] times in 2023 to approve the program and budget, deliberate and take decisions on the matters identified in the Head of Compliance/ AMLRO's report. Additionally, the Committee assessed the performance of the Head of Compliance/AMLRO for the purposes of evaluating his effectiveness.	The Committee plans to meet about five [5] times in 2024 to approve the program and budget, deliberate and take decisions on the matters identified in the Head of Compliance/ AMLRO's report. Additionally, the Committee will assess the performance of the Head of Compliance/AMLRO for the purposes of evaluating his effectiveness.
Credit	Credit Committee met four [4] times in 2023 to deliberate and take decisions on the matters identified in the Head of Credit's report. Additionally, the Committee assessed the performance of the credit portfolio and recommended appropriate action to management.	Credit Committee plans to meet about five [5] times in 2024 to deliberate and take decisions on the matters identified in the Head of Credit's report. Additionally, the Committee will assess the performance of the credit portfolio and recommend appropriate action to management.
Finance, Operations and IT	The Committee met four [4] times in 2023 to deliberate and take decisions on the matters identified in the Heads of Finance, Operations, IT and Cyber & Information Security reports.	The Committee plans to meet about five [5] times in 2024 to deliberate and take decisions on the matters identified in the Heads of Finance, Operations, IT and Cyber & Information Security reports.

Benefits provided to Directors

The benefits provided to Directors are outlined in note 35.

Annual certification

The Bank has completed the 2023 Annual Governance Certification required by the Bank of Ghana's Corporate Governance Directive. The Board has independently assessed the Corporate Governance process of the Bank and certifies that, it is effective, and has largely achieved its objectives. The purpose of the certification is to ensure that Directors understand the requirements of the Corporate Governance Directive and are aware of their responsibilities for the overall governance of the Bank.

Board members attended five (5) training programs in the year. The programs were Corporate Governance Training (Model I), Corporate Governance Training (Model II), Corporate Governance Training (Model III), Anti-Money Laundering/Counter-Terrorism Financing and Proliferation Training as well as a Data Protection and Privacy Training, as part of the annual capacity building programs provided to the Board by the National Banking College.

Remuneration Policies

The Board through the HR, Ethics and Compliance Committee oversees the design and implementation of compensation policy for the Bank. Using the services of consultants and market scanning, the Board is able to direct on appropriate remunerations for Directors, Executive Management, Key Management Personnel and employees in order to attract, retain, and motivate human resources. They also ensure that remuneration policies are designed to reward performance whilst curtailing excessive risk taking.

To ensure that remuneration is performance-centred, the Board approved the implementation of the balanced scorecard system with clear KPIs for both market-facing and other support personnel to ensure equity and accountability regarding remuneration.

The Board oversees remuneration performance by reviewing quarterly reports provided by the Head of Human Capital.

The Bank operates a single remuneration policy, which applies to all employees, including Executives and Key Management Personnel. The objective is to ensure remuneration aligns with the Bank's business strategy and changes in the markets in which the Bank operates, ensuring that the Bank's remuneration is consistent with best practice, promotes sound and effective risk management and is compliant with labour laws.

Also, the Board ensures that Executive Management compensation aligns with the long-term sustainability of the Bank.

Role of the Managing Director

The Managing Director, being the Head of the Management team, is accountable to the Board and its Committees. He manages the Bank in accordance with the prescribed policies, principles and strategic direction established by the Board, as well as rules, regulations, and guidelines from the Bank of Ghana and other regulatory authorities.

Responsibilities of the Managing Director

The main responsibilities and authorities of the Managing Director are outlined below:

- Business development, operational efficiency, risk management and for institutionalising the right control systems, to achieve sustainable profitability in line with the Bank's short, medium and long-term goals and objectives.
- Ensuring that the Bank's brand and reputation are positive at all times and maintaining maximum compliance with all Board directives, policies and regulatory requirements.
- Ensuring that employees of the Bank are capable and committed to deliver value for the Bank and also creating an environment of continuous learning and capacity building to meet current and future requirements of best practice in banking.

Annual evaluation of the Managing Director by the Board

The Board of Directors define the roles and responsibilities of the Managing Director. The Managing Director is evaluated by the Board on the basis of goals set for the Bank at the beginning of each year. The annual financial budget and other job objectives are discussed, reviewed and finalised by the Board at the start of the financial year. The Board considers both financial and non-financial goals during the appraisal.

Evaluation based on financial performance

The Bank's financial performance evaluation prioritizes both balance sheet growth and profitability. Beyond these core objectives, the Board establishes portfolio quality (NPL) and efficiency targets that align with regulatory prudential ratios and internal policies.

Evaluation based on non-financial goals

The Managing Director is also evaluated, on an ongoing basis, based on non-financial goals including but not limited to customer confidence (as reflected through continuous business growth), employee engagements, the relationship of the Bank with regulators, and the general stakeholder confidence.

Report on Board Evaluation

Report on External Evaluation

- **Introduction**

In line with the Corporate Governance Directive, the Board, Board Committees and individual members were evaluated by PricewaterhouseCoopers (PwC) in 2021. A detailed report from PwC including the status of each finding as at 20th July,2023 was submitted to the Bank of Ghana in fulfilment of the requirement under the corporate governance directives.

- **Scope of the report**

The report covers the following areas:

- Bank's current Board practices
- Industry leading practices
- The requirement of the Companies Act 2019 (Act 992)
- The requirement of BoG Cyber and Information Security Directives
- Requirement of the Fit and Proper Policy
- The requirement of the BoG's Corporate Governance Directive

- **Key Finding and status**

The table below provides a summary of key issues identified during the review and their status as at June 2023:

No.	Key Finding	Recommendation	Timeline for implementation	Status
1.	There was no evidence of a documented policy on Information Security that covers outsourcing, survivability, backup and recovery from cyber incidents and disaster events. There was also no evidence of a draft policy on outsourcing.	Management should develop and have Board approval of an Information Security policy that covers outsourcing, survivability, backup and recovery from cyber incidents and disaster events in adherence to the Cyber & Information Security Directive, 2018 – Appendix Section 5. Management should also ensure Board approval of the policy on outsourcing.	Immediately	Resolved
2.	The Bank has not performed any reviews of the stresses applied at the business levels as well as reverse stress- testings to examine the impact of selected scenarios from a 'bottom up' perspective as required by Appendix Section 37 of the BoG Corporate Governance Directive.	Management should perform quarterly reviews of the stresses applied at the business levels as well as perform semi-annual reverse stress-testing to examine the impact of selected scenarios from a 'bottom up' perspective as required by Appendix Section 37 of the BoG Corporate Governance Directive.	Immediately	Resolved
3.	There was no evidence of the Board's self-assessment of its performance as a whole, including its sub-committees, and of individual Board members in order to review the effectiveness of its own governance practices and procedures as required by Section 46 of the BoG Corporate Governance Directive.	The company secretariat should facilitate self-assessment reviews for the board. The results of these assessments should be formally documented and filed.	Immediately	Resolved
4.	The Bank has no succession plan for Key Management positions as required in section 17 of the BoG Corporate Governance Directive.	Management of the Bank should develop a succession plan to cover all the critical roles in the Bank. The document should be submitted at the next Board meeting for review and approval as required by Section 17 of the BoG Corporate Governance Directive.	Immediately	Resolved

- **Report on Internal Evaluation**

In line with the Corporate Governance Requirement, the Bank conducted an in-house evaluation of the performance of the Board as a whole, its sub –committees and individual Board members and submitted the report on 20th July 2023 to the Bank of Ghana.

Key Findings and status of resolution

The major finding was in regard to the absence of an Independent Director to chair the Audit Committee. The shareholders and existing Directors are working to resolve this deficiency in the 2024 financial year.

Daniel **Asiedu**
Managing Director/CEO

Daniel is a seasoned Banker and a Chartered Accountant by profession with almost (30) years working experience. He has extensive expertise in auditing, business consulting, general banking, financial management and investment.

Daniel holds an Executive Master's Degree in Business Administration, EMBA (Finance Option), a Master of Arts (MA) Degree in Economic Policy Management and a Master of Science (M.Sc) Degree in Development Finance all from the University of Ghana. Furthermore he has a Bachelor's Degree (B.Sc) in Mechanical Engineering from the University of Ibadan, Nigeria. Daniel has attended many courses both locally and internationally including Executive Management courses at Harvard Business School, Columbia University, the Wharton Business School (University of Pennsylvania), Stanford Graduate Business School, Kellogg School of Management (Northwest University), London Business School, Booth School of Business (University of Chicago), INSEAD and Euromoney Training.

He is the recipient of the Global Well-Respected CEO in Banking Award 2023 by the Executive Business Magazine, held in Singapore. Additionally, he was adjudged the Personality of the Year (Private Sector) at the Ghana CEO Awards 2023 and also at the Ghana Business Awards 2023 respectively.

He sits on the Boards of several reputable institutions in Ghana.

Daniel is an honorary fellow of the Chartered Institute of Credit Management Ghana (CICM) as well as an Honorary fellow of the Chartered Institute of Human Resource Management Ghana (CIHRM).

Dr. Philip **Oti-Mensah**
Executive Director/
Chief Operating Officer

Philip is a passionate and result-oriented business leader with over 20 years experience in Banking and Development Finance.

Before his current position, he led and consulted for Banks and financial institutions in Ghana and across Africa including Management Consultant - FINCA Bank Tanzania, Non-Executive Director - ProCredit Bank Congo, Deputy CEO - ProCredit Ghana, CEO - Union Savings and Loans, and CEO - OmniBank.

He holds a Bachelor of Science, Banking/ Finance & Master of Business Administration - Project Management from the University of Ghana Business School and a Master of Applied Business Research & Doctor of Business Administration from the Swiss Business School. Philip has attended several Executive Management courses both locally and internationally including Leading for Results at INSEAD Singapore.

He is a fellow of the Chartered Institute of Management Accountants (CIMA), Certified International Change Manager (CICM), and also holds a ProCredit Banker post-graduate Diploma in International Bank Management from ProCredit Academy (Germany).

Dr. Oti-Mensah is an international speaker and guest lecturer in Leadership and Financial Inclusion.

Anne Marie **Appiah**

Group Head, Corporate Banking

Anne Marie is the Group Head of Corporate Banking at OmniBSIC with over 15 years' experience in Corporate Banking having worked in institutions such as FBN Bank Ghana, Universal Merchant Bank and Zenith Bank Ghana.

She has a good understanding and knowledge of the Ghanaian market, and demonstrates high standards of excellence, with a good track record of customer relationship management and extensive experience in portfolio management.

Anne Marie is highly innovative and result-oriented, with considerable business management and leadership skills. She has led several departments to success and risen through the ranks over the years.

She has a Bachelor of Arts Degree in Political Science and Philosophy, and a Master of Business Administration Degree in General Management. She has also had extensive executive training in Strategic Decision Making, Relationship Management, Credit Risk Analysis, Enterprise Risks, Accounting and Finance, International Trade Finance and Operations. She is married with two children.

George Tetteh **Ocansey**

Divisional Head

George is a Divisional Head responsible for three (3) Zones comprising of thirteen (13) branches within the Bank.

He is an astute banker and an erudite marketer with over seventeen (17) years' experience in the banking industry, which spans across Retail and Corporate Banking (Telecoms, Aviation, Hospitality and Fintechs) as well as Business Development.

Prior to joining OmniBSIC Bank, he was the Head of Telecoms & Fintechs in Zenith Bank (Ghana) Limited. Also in Zenith Bank, he was a Relationship Manager within the Retail Banking Group. Furthermore, he worked in a marketing and sales capacity with Donewell Insurance as well as Rakes Company Limited, where he was seconded to Barclays Bank Ghana.

George holds a Bachelor's Degree in Sociology/Linguistics from the University of Ghana and currently pursuing an Executive Master of Business Administration Degree (EMBA), Marketing Option from the University of Ghana Business School.

He brings to OmniBSIC Bank strong competencies in syndicated loans, strategic corporate and multinational relationships, and Leadership skills.

Eric **Abban**

Divisional Head

Eric is a Divisional Head in charge of three (3) Zones comprising of thirteen (13) branches within the Bank.

He is a seasoned banker with over twenty-three (23) years of extensive experience and expertise in banking, spanning across Internal Control and Audit, Compliance, Operations and Marketing.

Prior to joining OmniBSIC Bank, he worked with United Bank for Africa, where he was a Branch Manager, Head of FMCG and later the Regional Head, in charge of Accra West. He also worked with Nyakrom Rural bank.

Eric holds an Master of Business Administration in Banking and Finance from University of Applied Science (Germany), and a Bachelor of Commerce Degree from University of Cape Coast. He is also an Associate member of the Chartered Institute of Bankers, Ghana.

Dominic Godloves **Donkoh**

Chief Risk Officer

Dominic has over 20 years of experience in Business Development and Risk Management in the banking and non-bank financial sector. His specific areas of expertise are corporate governance, enterprise risk management and institutional building.

Dominic worked at ProCredit as Head of Credit and later as Head of the Risk Management Division.

He also worked at UniBank in various positions including Head of Monitoring and Recoveries, Corporate Relationship Manager and Head of Small Business Unit.

He holds a BSc Degree in Accounting from the University of Ghana Business School, an MBA equivalent Certificate in Management from ProCredit Academy in Germany; and MBA in Banking and Risk Management from Business School Netherlands.

Dominic has benefited from several local and international Executive Management courses including the London School of Economics on Strategic Decision Making For Management.

Akyaa Afreh Arhin **Addo-Kufuor**

Group Head, Legal & Recovery Departments. Company Secretary

Akyaa holds a Bachelor of Laws degree (LLB) from the University of Ghana and was called to the Ghana Bar in 1998. She obtained a Master's Degree in Law (LLM) from Temple University, USA in May 2000 and holds an executive certificate in Negotiation from the London School of Economics and Political Science (LSE).

Akyaa is currently the Company Secretary and Group Head of the Legal and Recovery Departments of OmniBSIC Bank. She was appointed the first Legal Counsel of the University of Ghana in 2010 and worked in that position for seven (7) years. She also served as Head of the Legal Department of Intercontinental Bank Ghana Limited (now Access Bank). From 2004 to 2007 she worked as a Senior Legal Consultant at a leading law firm in Ghana and led several high profile projects.

She was a member of the team of legal consultants that advised the Millennium Development Authority, Ghana (MiDA) on the Contract signed between the Government of Ghana and the Millennium Challenge Corporation of the United States of America for the provision of five hundred and forty-seven million dollars' facility.

She is a former member of the Council of the University of Professional Studies, Accra (UPSA) and Secretary to the Presidential Committee on Emoluments of Article 71 Office Holders.

She is a member of the Ghana Bar Association.

Sylvester Yaovi **Apedoe Jnr**

Group Head, Information Technology

Sylvester serves as the Group Head of Information Technology. Before joining OmniBSIC Bank, he worked with Universal Merchant Bank (UMB) for 24 years and Epsilon Systems & Services for 4 years where he developed Payroll and Reconciliation systems for commercial banks and some government institutions.

He is a seasoned Information Technology Professional, with strengths in System Development, Networks and Infrastructure, IT Security and IT Systems Integration. Sylvester holds a Bachelor of Science Degree in Computer Science from the Kwame Nkrumah University of Science & Technology (KNUST) and an International Executive Masters of Business Administration Degree in Strategy and Project Management from the Paris Graduate School of Management, France. He has various certifications in Cisco (CCNA & CCNP), ITIL v3 and Microsoft, MCP, MCSE.

He is also a certified Project Management Professional (PMP) from Project Management Institute, USA. Sylvester, worked in various capacities with Universal Merchant Bank (UMB) including, leading the Information Technology Team, Systems & Infrastructure Team and the IT Special Project Team.

He was instrumental and the technical lead for UMB becoming ISO 27001 certified and PCIDSS compliant. Sylvester was adjudged the Best CIO for the year 2019 and 2020 respectively by Ghana Information Technology & Telecoms Awards, GITTA.

He again led UMB to win awards as the Best Bank in Cybersecurity Risk Management, by GITTA. Sylvester is a member of the Information Systems Audit and Control Association, ISACA chapter of Ghana.

Management Committees

The Bank has in place other committees to assist the Managing Director in the day-to-day running of the Bank.

Management Committee

The Committee meets weekly and its role includes the following:

- Develop and implement the strategies and policies of the Bank.
- Manage the day-to-day business affairs of the Bank.
- Prioritise and allocate the Bank's capital, technical and human resources.
- Establish best management practices and functional standards.
- Maintain a bank-wide system of internal control to manage all Enterprise risks.
- Maintain a bank-wide legal compliance structure.
- Ensure the overall functional and business performance of the Bank are in line with the approved Strategy.

Assets and Liability Committee (ALCO)

The Managing Director chairs the Asset and Liability Committee. Other members include the Chief Operating Officer, Head of Treasury, Head of Finance and Strategic Planning, Chief Risk Officer, Head of Compliance/AMLRO, Head of Operations, Head of Credit and Heads of the Strategic Business Units (SBU's). The Committee meets weekly.

The role of the Committee includes:

- Review of the Bank's Assets and Liabilities to ensure proper matching of duration and margins.
- Liquidity Management.
- Review of key economic indicators and the impact on the Bank's Balance Sheet and profitability.
- Review cost of funds and other key ratios in relation to market developments and internal targets.

Management Committee

The Management Committee is chaired by the Managing Director. Other members include: Chief Operating Officer, Divisional Heads, Group Heads, Zonal Heads and Heads of the Strategic Business Units, Group Heads and Department Heads

The Committee meets weekly.

The responsibilities of the Committee are to:

- Ensure information flows and cohesion among Executive Committee members and other Heads of Department /SBU's.
- Share information, educate and keep Departments and Unit Heads fully informed about developments within the Bank.
- Follow up on projects and business performance of Departments and Unit Heads.
- Provide support to managers and engender interdepartmental cooperation.

Systems of Internal Control

The Bank has well-established internal control systems for identifying, managing and monitoring risks. These are designed to provide reasonable assurance of effectiveness of operations, reliability of financial reporting and compliance with applicable laws and regulations.

The independent reports from the control functions such as Internal Control and Audit and Compliance functions of the Bank play key roles in providing objective view and continuing assessment of the effectiveness and efficiency of the internal control systems. These reports provide information on breaches or deficiencies in internal controls and recommend their preventive actions.

To enable efficient assessment of controls, the Board approves policies that guides specific risk and ensures that these approved policies are kept up to date by all functions in the organisation.

The systems of internal controls are implemented and monitored by appropriately trained personnel whose duties and reporting lines are clearly defined in line with applicable legislation.

Key internal control policies necessary for the institution are below:

Key Policy	Brief Description	Year of Last Review	Summary of Key Changes
Credit Management Manual	The credit policy sets out the fundamental principles, policies and standards by which credit risk must be managed within the Bank. It also sets out the basic credit philosophy and standards by which credit underwriting will occur.	2023	The policy was updated to capture the maximum tenure for each Credit program.
Compliance Risk Management Manual	The policy states the essential principles, roles and responsibilities of the Compliance Department within the Bank, its relationship with the Board of Directors, the Executive Management Team, the Risk Management Committee, and other key parties.	2023	The policy was updated with the responsibility for data governance privacy and data protection.
Anti-Money Laundering Policy	This policy articulates the governing principles and standards approved by the Board of Directors to ensure compliance with the anti-money laundering laws and regulations and to protect OmniBSIC from being used for Money Laundering and Terrorist Financing as well as the financing of Proliferation of Weapons of Mass Destruction.	2023	The policy was updated to reflect the requirement of the Act 1044 and the AML/CFT & P guidelines 2022
Expense Policy Manual	The Expense Management Policy guides the Bank towards operational efficiency. It seeks to ensure that there is value for money in the expense management process and due process is followed in the expense management of the Bank.	2022	NA
Data Protection and Privacy Policy	This Data Protection Policy is the reference document that sets out how we handle and manage data in Bank. The policies contained in this document are broad and high-level.	2023	The policy was updated to reflect the requirement of the Act 843 and the GDPR
Cyber Security Manual	Its manual defines how Information Security will be set up, managed, measured, reported on, and developed.	2023	NA
Treasury Policy	The policy sets out the guidelines and practices that underpins the Treasury activities of the Bank.	2023	The policy was updated to reflect changes to the list of acceptable instruments by the Bank
Code of Conduct and Professional Practice	This Code of Conduct and Professional Practice serves as a guideline to the standards that should govern all Directors and employee dealings with customers, vendors, colleagues and the general public.	2023	NA

Ethics and Professionalism

The Board approved a code of conduct and professional practice policy during the year 2023 to guide Directors and employees in their day-to-day activities. The principles of the Code of Conduct and Professional Practice has been communicated and made accessible to all Directors, Key Management Staff and Employees to guide their activities.

The Code defines the professionalism and integrity required of Directors, Key Management Personnel and employees and covers compliance with the law, conflict of interest, environmental issues, reliability of financial reporting, and strict adherence to the principles so as to eliminate the possibility for illegal and unethical practices.

Additionally, the Board and Management have ensured that awareness programs are organised periodically on the principles of ethical behaviour sustainable practices and risk awareness to promote and reinforce the norms and culture of the organisation.

In compliance with the requirement of the policy, the Board of Directors, Management and all other Employees have signed off as having read and understood the Code of Conduct and Professional Practice Policy and sanctions for non-compliance.

Statement of Non-Compliance

We affirm that the Bank largely complied with all laws, regulation and corporate governance standards necessary for the business of banking during the period. However, exceptions with the resolution timeline are outlined below:

- Breach

1. Section 7(4) of Corporate Governance Disclosure Directive, 2022 requires thirty per cent (30%) independent directorship in the Board. The composition of the directorship of the bank fell short of the 30% in 2023 financial year as indicated in “Board of Directors “section above.

2. Section 54 of the Corporate Governance Directive requires the Audit Committee to be chaired by an Independent Director. A non – executive Director currently chairs the Committee in an acting capacity pending the re-appointment of the independent directors in breach of the requirement

- Explanation

The shortfall resulted from the removal of the independent Director who was also the chair of the audit committee.

- Resolution and Timeline

Directors and shareholders are working to appoint independent Directors to improve the composition of the board of directors and nominate an Independent Director to chair the Audit Committee by the end of 2024.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of OmniBSIC Bank Ghana LTD (the "Bank") as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards with the IAS 29 directive issued by the Institute of Chartered Accountants Ghana (ICAG), and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

What we have audited

We have audited the financial statements of OmniBSIC Bank Ghana Ltd for the year ended 31 December 2023.

The financial statements comprise:

- the statement of financial position as at 31 December 2023;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising a summary of material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Bank in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (the Code) issued by the International Ethics Standards Board for Accountants and the independence requirements of section 143 of the Companies Act, 2019 (Act 992) that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities in accordance with the Code.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the Bank's financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters (continued)

Key audit matters	How our audit addressed the key audit matter
Impairment allowance on loans and advances to customers – GH¢107.27 million	
Gross loans and advances to customers as at 31 December 2023 amount to GH¢687.22 million out of which an impairment allowance of GH¢107.27 million was recorded. The Expected Credit Loss (ECL) requires significant judgement in applying the methodology used in determining the following estimates: • Significant increase in credit risk (SICR) focusing on both the qualitative and quantitative criteria used by the Bank. • Definition of default in assessing credit impaired assets. • Probability of Default (PD): the likelihood that borrowers will be unable to meet their debt obligations over a particular time horizon. • Loss given default (LGD): percentage exposure at risk that is not expected to be recovered in an event of default. • Exposure at default (EAD): amount expected to be owed the Bank at the time of default. • Forward-looking economic information and scenarios used in the model. Notes 2.9.4, 3.2, 5(a) and 16 in the financial statements set out the accounting policies, critical estimates and related judgements used in the calculation of ECL.	We updated our understanding of the key controls within the loan origination, approval, monitoring and recovery processes and tested relevant controls. We assessed the criteria applied by management in determining significant increase in credit risk and assessed a sample of loans for SICR. We checked that the applied definition of default used is consistent with IFRS 9 qualitative default criteria and days past due backstop indicator. We assessed the methodology used in determining the multiple economic scenario for 12-month and lifetime Probability of Default. We tested the reasonableness of the Loss Given Default (LGD) by reviewing collateral values along with assumptions on haircut, recovery rates and time to realisation. We checked that the projected EAD for off-balance sheet exposures over their contractual period and the projected EAD over the remaining lifetime of on-balance sheet exposures based on the behavioural life of revolving facilities were in compliance with the requirements of IFRS 9. We assessed the reasonableness of forward-looking information used in the impairment calculations by challenging the multiple economic scenarios used and the weighting applied. We tested the appropriateness of disclosures set out in the financial statements in line with the requirements of IFRS 9.

Key audit matters (continued)

Key audit matters	How our audit addressed the key audit matter
Expected credit losses on investment securities – GH¢4.81 million The gross balance of investment securities at 31 December 2023 was GH¢3.26 billion. The associated impairment allowance on the investment instruments was GH¢4.81 million. The Government of Ghana announced a voluntary Domestic Debt Exchange Programme (DDEP) which sought to exchange existing eligible domestic notes and bonds and to suspend debt service payments on Eurobonds. The expected credit loss (ECL) for investment securities is material to the financial statements in terms of magnitude and level of subjective judgement applied by Management. Management segmented the securities into a portfolio of instruments eligible for Ghana's Domestic Debt Exchange Programme (DDEP) and those instruments that are not eligible for the Programme. A modification loss of GH¢10.54 million was recognised as a result of the exchange of eligible bonds under the DDEP. The key areas of significant management judgement within the ECL calculation are: • Evaluation of significant increase in credit risk, definition of default and credit impaired assets focusing on both the qualitative and quantitative criteria used by the Bank; • Incorporation of macro-economic inputs and forward-looking information into the ECL model; and • Input assumptions (discount rate and estimated timing and amount of forecasted cash flows) applied to estimate the probability of default (PD), exposure at default (EAD) and loss given default (LGD). The accounting policies, critical estimates and judgements and impairment charge are set out in notes 2.9, 3.2(x), 5(d), and 17 to the financial statements.	We obtained an understanding of the DDEP based on the Exchange Memorandum issued by the Government of Ghana. We assessed the appropriateness of management's segmentation of the portfolio of instruments eligible for the DDEP and those that are not. We tested the appropriateness of the staging of the investment securities by independently assessing management's criteria for significant increase in credit risk and definition of default. We evaluated the appropriateness of macro-economic inputs and forward-looking information included in the ECL by comparing to independent industry data. We assessed the assumptions relating to discount rate, estimated timing and amount of forecasted cashflows applied within the PD, EAD and LGD. We tested the mathematical accuracy of the impairment calculation on investment securities. We assessed the appropriateness of the ECL related disclosures for investment securities in the financial statements in accordance with IFRS 9.

Other information

The Directors are responsible for the other information. The other information comprises the Corporate Information, Report of the Directors, Corporate Governance Framework, Shareholders' Information, Value Added Statement and the Annual Declaration on Risk Management but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards with the IAS 29 directive issued by the Institute of Chartered Accountants Ghana (ICAG) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Bank or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Bank's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors:

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence and have communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The Companies Act, 2019 (Act 992) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
ii) in our opinion proper books of account have been kept by the Bank, so far as appears from our examination of those books; and
iii) the Bank's statement of financial position and Bank's statement of comprehensive income are in agreement with the books of account.

In accordance with section 85(2) of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) we hereby confirm that:

i) the accounts give a true and fair view of the state of affairs of the Bank and the results of operations for the period under review;
ii) we were able to obtain all the information and explanations required for the efficient performance of our duties as Auditor;
iii) the Bank's transactions were within its powers; and
iv) the Bank has, in all material respects, complied with the provisions of this Act.

With respect to the provisions of the Anti-Money Laundering Act, 2022 (Act 1044), the Anti-Terrorism Act, 2008, (Act 762) and the Regulations made under these enactments, we did not identify any instances of non-compliance based on procedures we performed.

With respect to the provisions of section 21 of the Corporate Governance Disclosure Directive (2022) issued by Bank of Ghana, we did not identify any instances of non-compliance regarding the Bank's corporate governance practices and report, based on procedures we performed.

The engagement partner on the audit resulting in this Independent Auditor's report is Michael Asiedu-Antwi (ICAG/P/1138).

PricewaterhouseCoopers

PricewaterhouseCoopers (ICAG/F/2024/028)
Chartered Accountants
Accra, Ghana
28 March 2024

pwc

STATEMENT OF COMPREHENSIVE INCOME

(All amounts are in thousands of Ghana Cedis)

	Note	2023	2022
		Year ended 31 December	
Interest income	6	**834,820**	328,152
Interest expense	6	**(410,207)**	(212,184)
Net interest income		**424,613**	115,968
Fee and commission income	7	**59,220**	45,524
Fee and commission expense	7	**(2,993)**	(1,259)
Net fee and commission income		**56,227**	44,265
Net trading income	8	**46,883**	40,775
Other income	9	**6,375**	16,884
Operating income		**534,098**	217,892
Net impairment charge	10	**(50,764)**	(148,719)
Modification loss	17	**(10,538)**	-
Finance cost	20	**(14,259)**	(11,277)
Personnel expenses	11	**(105,203)**	(66,575)
Depreciation and amortisation expense	12	**(44,259)**	(20,920)
Other operating expenses	13	**(158,476)**	(97,912)
Profit before tax		**150,601**	(127,511)
Income tax expense	14	**(29,408)**	-
Profit after tax		**121,193**	(127,511)
Other comprehensive income		**-**	-
Total comprehensive income		**121,193**	(127,511)
Earnings per share (pesewas)-basic	31	**1.60**	(0.03)
Earnings per share (pesewas)-diluted	31	**1.60**	(0.03)

The notes on pages 54 to 112 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

(All amounts are in thousands of Ghana Cedis)

		At 31 December	
Assets	Note	2023	2022
Cash and balances with Banks	15	**1,505,522**	816,047
Loans and advances to customers	16	**579,945**	676,273
Investments	17	**3,260,026**	1,343,430
Other assets	18	**65,914**	45,938
Current tax assets	14	**3,564**	9,896
Non-current assets held for sale	19	**6,009**	15,987
Right-of-use assets	20	**71,364**	74,527
Intangible assets	21	**50,429**	53,899
Property and equipment	22	**139,048**	72,548
Total assets		**5,681,821**	3,108,545
Liabilities			
Deposits from banks and other financial institutions	23	**157,302**	121,708
Deposits from customers	24	**4,877,699**	2,524,752
Other liabilities	25	**85,420**	35,588
Lease liabilities	20	**69,792**	56,082
Total liabilities		**5,190,213**	2,738,130
Shareholders' funds			
Stated capital	26	**915,948**	915,948
Contribution towards capital	27	**-**	6,000
Statutory reserve	28	**64,490**	3,893
Credit risk reserve	29	**135,745**	99,002
Retained earnings-(deficit)	30	**(624,575)**	(654,428)
Total shareholders' funds		**491,608**	370,415
Total liabilities and shareholders' funds		**5,681,821**	3,108,545

The notes on pages 41 to 103 are an integral part of these financial statements.

The financial statements on pages 36 to 106 were approved by the Board of Directors on 28 March 2024 and signed on its behalf by:

SIMEON PATRICK KYEI
Chairman

DANIEL ASIEDU
Managing Director

STATEMENT OF CHANGES IN EQUITY

(All amounts are in thousands of Ghana Cedis)

Year ended 31 December 2023	Stated capital	Contribution towards capital	Statutory reserve	Credit risk reserve	Retained earnings - (deficit)	Total
At 1 January 2023	915,948	6,000	3,893	99,002	(654,428)	**370,415**
Profit for the year	-	-	-	-	121,193	**121,193**
Other comprehensive income	-	-	-	-	-	**-**
Total comprehensive income	-	-	-	-	121,193	**121,193**
Transactions with shareholders						
Contributions towards capital	-	-	-	-	-	**-**
Issue of shares	-	-	-	-	-	**-**
Transaction cost	-	(6,000)	-	-	6,000	**-**
	-	(6,000)	-	-	6,000	**-**
Regulatory transfers						
Transfer to statutory reserve	-	-	60,597	-	(60,597)	**-**
Transfer to credit risk reserve	-	-	-	36,743	(36,743)	**-**
	-	-	60,597	36,743	(97,340)	**-**
At 31 December 2023	915,948	-	64,490	135,745	(624,575)	**491,608**

The notes on page 54 to 112 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY (contd.)

(All amounts are in thousands of Ghana Cedis)

Year ended 31 December 2022	Stated capital	Contribution towards capital	Statutory reserve	Credit risk reserve	Retained earnings - (deficit)	Total
At 1 January 2022	694,948	100,000	3,893	93,067	(520,982)	**370,926**
Loss for the year	-	-	-	-	(127,511)	**(127,511)**
Other comprehensive income, net of tax	-	-	-	-	-	**-**
Total comprehensive income	-	-	-	-	(127,511)	**(127,511)**
Transactions with shareholders						
Contributions towards capital	-	128,105	-	-	-	**128,105**
Issue of shares	222,105	(222,105)	-	-	-	**-**
Transaction cost	(1,105)	-	-	-	-	**(1,105)**
	221,000	(94,000)	-	-	-	**127,000**
Regulatory transfers						
Transfer from credit risk reserve	-	-	-	5,935	(5,935)	**-**
	-	-	-	5,935	(5,935)	**-**
At 31 December 2022	915,948	6,000	3,893	99,002	(654,428)	**370,415**

The notes on page 54 to 112 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

(All amounts are in thousands of Ghana Cedis)

	Note	Year ended 31 December 2023	2022
Cash flows from operating activities			
Cash generated from operations	32	**1,893,989**	709,293
Tax paid	14	**(23,076)**	(4,159)
Net cash used in operating activities		**1,870,913**	705,134
Cash flows from investing activities			
Purchase of intangible assets	21	**(18,740)**	(38,632)
Purchase of property and equipment	22	**(82,246)**	(22,141)
Proceeds from disposal of property and equipment	22	**1,273**	196
Net cash used in investing activities		**(99,713)**	(60,577)
Cash flows from financing activities			
Finance lease payments	20	**(11,526)**	(39,579)
Transaction costs on issue of shares	27	**-**	(1,105)
Contribution towards capital	27	**-**	128,105
Net cash from financing activities		**(11,526)**	87,421
Increase in cash and cash equivalents		**1,759,674**	731,978
Analysis of changes in cash and cash equivalents			
Cash and cash equivalents at 1 January	15	**966,443**	234,465
Increase in cash and cash equivalents		**1,759,674**	731,978
Cash and cash equivalents at 31 December	15	**2,726,117**	966,443

The accompanying notes on pages 54 to 112 are an integral part of these financial statements.

1. Reporting entity

OmniBSIC Bank Ghana Limited is a limited liability company incorporated and domiciled in Ghana. The registered office is Atlantic Towers, Airport City, Accra. The Bank operates under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied to all years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) with the IAS 29 Directive issued by the Institute of Chartered Accountants Ghana (ICAG) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930).

The ICAG issued a directive in November 2023 to accountants in business and accountants in practice, together with an update during January 2024 where the ICAG concluded that based on its analysis and interpretation, IAS 29 will not be applicable for December 2023 financial reporting periods since Ghana is not considered to be operating in a hyperinflationary economy. The implication of the directive is that the special purpose financial information of the Bank, including the corresponding figures for the comparative period have not been stated in terms of the measuring unit current at the end of the reporting period.

These financial statements have been prepared under the historical cost convention, except for pledged and non-pledged trading assets which are measured at fair value.

The disclosures on risks from financial instruments are presented in the financial risk management section in note 3.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise judgement in the process of applying the Bank's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 5.

2.2 Changes in accounting policies and disclosures

(a) New standards, amendments and interpretations adopted by the Bank

(I) IFRS 17 – Insurance Contracts

IFRS 17 was issued in May 2017 as replacement for IFRS 4 Insurance Contracts. It requires a current measurement model where estimates are remeasured in each reporting period. Contracts are measured using the building blocks of:

- discounted probability-weighted cash flows
- an explicit risk adjustment, and
- a contractual service margin (CSM) representing the unearned profit of the contract which is recognised as revenue over the coverage period.

2.2 Changes in accounting policies and disclosures (continued)

(a) New standards, amendments and interpretations adopted by the Bank (continued)

(i) IFRS 17 – Insurance Contracts (continued)

The standard allows a choice between recognising changes in discount rates either in the statement of profit or loss or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9.

An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for eligible groups of insurance contracts, which are often written by non-life insurers.

There is a modification of the general measurement model called the 'variable fee approach' for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the CSM. The results of insurers using this model are therefore likely to be less volatile than under the general model.

The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features.

Targeted amendments made in July 2020 aimed to ease the implementation of the standard by reducing implementation costs and making it easier for entities to explain the results from applying IFRS 17 to investors and others. The amendments also deferred the application date of IFRS 17 to 1 January 2023.

Further amendments made in December 2021 added a transition option that permits an entity to apply an optional classification overlay in the comparative period(s) presented on initial application of IFRS 17. The classification overlay applies to all financial assets, including those held in respect of activities not connected to contracts within the scope of IFRS 17. It allows those assets to be classified in the comparative period(s) in a way that aligns with how the entity expects those assets to be classified on initial application of IFRS 9. The classification can be applied on an instrument-by-instrument basis. Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.

(ii) Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2

The IASB amended IAS 1 Presentation of Financial Statements to require entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' (being information that, when considered together with other information included in an entity's financial statements, can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements) and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

To support this amendment, the IASB also amended IFRS Practice Statement 2 – Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

(iii) Definition of Accounting Estimates – Amendments to IAS 8

The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

(iii) Definition of Accounting Estimates – Amendments to IAS 8 (continued)

(iv) Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences, and will require the recognition of additional deferred tax assets and liabilities. The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities; and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in the opening balance of retained earnings, or another component of equity, as appropriate.

IAS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

(v) OECD Pillar Two Rules

In December 2021, the Organisation for Economic Co-operation and Development (OECD) released the Pillar Two model rules (the Global AntiBase Erosion Proposal, or 'GloBE') to reform international corporate taxation. Large multinational enterprises within the scope of the rules are required to calculate their GloBE effective tax rate for each jurisdiction where they operate. They will be liable to pay a top-up tax for the difference between their GloBE effective tax rate per jurisdiction and the 15% minimum rate.

In May 2023, the IASB made narrow-scope amendments to IAS 12 which provide a temporary relief from the requirement to recognise and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two model rules, including tax law that implements qualified domestic minimum top-up taxes described in those rules.

The amendments also require affected companies to disclose:

- the fact that they have applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes;
- their current tax expense (if any) related to the Pillar Two income taxes; and
- during the period between the legislation being enacted or substantially enacted and the legislation becoming effective, known or reasonably estimable information that would help users of financial statements to understand an entity's exposure to Pillar Two income taxes arising from that legislation. If this information is not known or reasonably estimable, entities are instead required to disclose a statement to that effect and information about their progress in assessing the exposure.

(b) New standards, amendments and interpretations issued/amended but not effective

Certain new accounting standards and interpretations have been published that are not mandatory for December 31, 2023, reporting periods and have not been early adopted by the Bank. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(b) New standards, amendments and interpretations issued/amended but not effective (continued)

(i) Classification of Liabilities as Current or Non-current – Amendments to IAS 1 Non-current Liabilities with Covenants – Amendments to IAS 1

Amendments made to IAS 1 Presentation of Financial Statements in 2020 and 2022 clarified that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.

The amendments require disclosures if an entity classifies a liability as noncurrent and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include:

- the carrying amount of the liability;
- information about the covenants; and
- facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants.

The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note.

(i) Classification of Liabilities as Current or Non-current – Amendments to IAS 1 Non-current Liabilities with Covenants – Amendments to IAS 1

The amendments must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Special transitional rules apply if an entity had early adopted the 2020 amendments regarding the classification of liabilities as current or non-current.

(ii) Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

In September 2022, the IASB finalised narrow-scope amendments to the requirements for sale and leaseback transactions in IFRS 16 Leases which explain how an entity accounts for a sale and leaseback after the date of the transaction.

The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate. 1 January 2024.

iii) Supplier finance arrangements – Amendments to IAS 7 and IFRS 7

The IASB has issued new disclosure requirements about supplier financing arrangements ('SFAs'), after feedback to an IFRS Interpretations Committee agenda decision highlighted that the information required by IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures falls short of meeting user information needs.

(iii) Supplier finance arrangements – Amendments to IAS 7 and IFRS 7 (continued)

The objective of the new disclosures is to provide information about SFAs that enables investors to assess the effects on an entity's liabilities, cash flows and the exposure to liquidity risk. The new disclosures include information about the following:

The terms and conditions of SFAs:

1. The carrying amounts of financial liabilities that are part of SFAs and the line items in which those liabilities are presented.
2. The carrying amount of the financial liabilities in (b) for which suppliers have already received payment from the finance providers.
3. The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements.
4. Non-cash changes in the carrying amounts of financial liabilities in (b).
5. Access to SFA facilities and concentration of liquidity risk with finance providers.

The IASB has provided transitional relief by not requiring comparative information in the first year, and also not requiring disclosure of specified opening balances. Further, the required disclosures are only applicable for annual periods during the first year of application. Therefore, the earliest that the new disclosures will have to be provided is in annual financial reports for December 2024 year-ends, unless an entity has a financial year of less than 12 months.

(iv) Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28

The IASB has made limited scope amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures. The amendments clarify the accounting treatment for sales or contribution of assets between an investor and their associates or joint ventures. They confirm that the accounting treatment depends on whether the nonmonetary assets sold or contributed to an associate or joint venture constitute a 'business' (as defined in IFRS 3 Business Combinations).

Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor's interests in the associate or joint venture. The amendments apply prospectively.

2.3 Foreign currency translation

Functional and presentation currency

Items included in the Bank's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Ghana Cedi (GH¢), which is the Bank's functional currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. The Bank of Ghana interbank exchange rates are used to translate foreign currency items into the functional currency.

2.3 Foreign currency translation (continued)

Monetary items denominated in foreign currency are translated using the closing rate as at the reporting date. Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition; non-monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

2.4 Interest income and expense

Interest income and expense for all interest-bearing financial instruments are recognised within 'interest income' and 'interest expense' in profit or loss using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and allocating interest income or interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Bank estimates cash flows considering all contractual terms of the financial instrument, including prepayment options, but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

2.4 Fee and commission income

Fee and commission income, including transactional fees, account servicing fee, and placement fees are recognised as the related services are performed.

Loan commitment fees for loans that are not likely to be drawn down are deferred, together with related direct costs and recognised on a straight-line basis over the commitment period.

2.5 Fee and commission expense

Fees and commission expenses, which relate mainly to transaction and service fees, are expensed as the related services are received.

2.6 Net trading income

Net trading income comprises gains less losses relating to trading assets and liabilities, including realised and unrealised fair value changes and foreign exchange differences, and fair value gains and losses on financial assets measured fair value through profit and loss.

2.7 Dividend income

Dividend income is recognised when the Bank's right to receive payment is established.

2.8 Financial assets and liabilities

2.9.1 Measurement methods

2.8 Financial assets and liabilities (continued)

2.9.1 Measurement methods (continued)

Amortised cost and effective interest rate

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability.

The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees. For purchased or originated credit-impaired ('POCI') financial assets – assets that are credit-impaired at initial recognition – the Bank calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

When the Bank revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Bank becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Bank commits to purchase or sell the asset.

At initial recognition, the Bank measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions.

Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at FVOCI, which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognises the difference as follows:

(a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.

(b) In all other cases, the differences are deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

(i) Financial assets

The Bank applies IFRS 9 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

The classification requirements for debt and equity instruments are described below.

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans and investment securities.

Classification and subsequent measurement of debt instruments depend on:

- the Bank's business model for managing the asset; and
- the cash flow characteristics of the asset.

Based on these factors, the Bank classifies its debt instruments into one of the following three measurement categories:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured. Interest income from these financial assets is *included in 'Interest income' using the effective interest rate method.*

Fair value through other comprehensive income (FVOCI): Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'other operating income'. interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented in the profit or loss statement within 'net trading income' in the period in which it arises. Interest income from these financial assets is included in 'interest income' using the effective interest rate method.

Business model assessment: Business model reflects how the Bank manages the assets in order to generate cash flows. That is, whether the Bank's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g.: financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL. Factors considered by the Bank in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated. Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVPL.

2.9 Financial assets and liabilities (continued)

2.9.1 Measurement methods (continued)

(I) Financial assets (continued)

Debt instruments (continued)

The Bank makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to Management.
Other factors considered in the determination of the business model include:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

The Bank may decide to sell financial instruments held under the hold to collect category with the objective to collect contractual cash flows without necessarily changing its business model.

***SPPI assessment*:** Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Bank assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the `SPPI test'). In making this assessment, the Bank considers whether the contractual cash flows are consistent with a basic lending arrangement; i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Bank reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Examples of equity instruments include basic ordinary shares.

2.9.1 Measurement methods (continued)

(i) Financial assets (continued)

Equity instruments (continued)

The Bank subsequently measures all equity investments at fair value through profit or loss, except where the Bank's Management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income. The Bank's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in profit or loss as other income when the Bank's right to receive payments is established.

Impairment of financial assets

The Bank assesses on a forward-looking basis, the expected credit loss ('ECL') associated with its debt instrument assets carried at amortised cost and FVOCI and with its exposures arising from loan commitments and financial guarantee contracts. The Bank recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Modification of loans

The Bank sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers. When this happens, the Bank assesses whether or not the new terms are substantially different to the original terms. The Bank does this by considering, among others, the following factors:

- If the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay;
- Significant extension of the loan term when the borrower is not in financial difficulty; and
- Significant change in the interest rate.

If the terms are substantially different, the Bank derecognises the original financial asset and recognises a 'new' asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Bank also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on de-recognition.

***Equity instruments* (continued)**

***Impairment of financial assets* (continued)**

Modification of loans (continued)

If the terms are not substantially different, the renegotiation or modification does not result in de-recognition, and the Bank recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

Derecognition other than on a modification

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- The rights to receive cash flows from the asset have expired; or
- The Bank has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and
- Either (a) the Bank has transferred substantially all the risks and rewards of the asset, or (b) the Bank has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Bank is recognised as a separate asset or liability. Financial guarantees contracts and loan commitments.

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and others on behalf of customers to secure loans, overdrafts and other banking facilities.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- The amount of the loss allowance; and
- The premium received on initial recognition less income recognised in accordance with the principles of IFRS 15.

For loan commitments and financial guarantee contracts, the loss allowance is recognised as a provision. However, for contracts that include both a loan and an undrawn commitment and the Bank cannot separately identify the expected credit losses on the undrawn commitment component from those on the loan component, the expected credit losses on the undrawn commitment are recognised together with the loss allowance for the loan. To the extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit losses are recognised as a provision.

2.9.1 Measurement methods (continued)

(i) Financial assets (continued)

(ii) Financial liabilities

Classification

The Bank classifies its financial liabilities, other than financial guarantees and loan commitments, as measured at amortised cost.

Measurement

The 'amortised cost' of a financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.9.2 Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Bank has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Bank measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Bank uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price – i.e., the fair value of the consideration given or received. If the Bank determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price.

Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Bank measures assets and long positions at a bid price and liabilities and short positions at an ask price.

2.9 Financial assets and liabilities (continued)

2.9.2 Fair value measurement (continued)

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the Bank on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for a particular risk exposure. Those portfolio-level adjustments are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The Bank recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

2.9.3 Reclassification of financial assets

The Bank may choose to reclassify a non-derivative financial asset held for trading out of the fair value through profit or loss category if the financial asset is no longer held for the purpose of selling it in the near-term. Financial assets are permitted to be reclassified out of the fair value through profit or loss category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near-term.

In addition, the Bank may choose to reclassify financial out of the fair value through profit or loss (FVPL) or fair value through other comprehensive income (FVOCI) categories if the Bank has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to hold to collect categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

On reclassification of a financial asset out of the 'at fair value through profit or loss' category, all embedded derivatives are re-assessed, and if necessary, separately accounted for.

2.9.4 Impairment of financial assets

The Bank records an allowance for ECLs for all loans and other debt financial assets not held at FVPL, together with lease receivables loan commitments and financial guarantee contracts. No impairment loss is recognised on equity investments.

The allowance is based on the ECLs associated with the probability of default in the next twelve months unless there has been a significant increase in credit risk since origination. If the financial asset meets the definition of purchased or originated credit impaired (POCI), the allowance is based on the change in the ECLs over the life of the asset.

The Bank measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- Debt investment securities that are determined to have low credit risk at the reporting date; and
- Other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

Loss allowances for lease receivables are always measured at an amount equal to lifetime ECL. The Bank generally considers a debt security to have low credit risk when their credit risk rating is equivalent to the globally understood definition of 'investment grade'. 12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

2.9 Financial assets and liabilities (continued)

2.9.5 Offsetting financial instruments

Netting, where financial assets and liabilities are offset and the net amount reported in the statement of financial position, occurs if, and only if, there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise an asset and settle the liability simultaneously. In many cases, even though master netting agreements are in place, the lack of an intention to settle on a net basis results in the related assets and liabilities being presented gross in the statement of financial position.

2.10 Collaterals

The Bank obtains collateral in respect of customer liabilities where this is considered appropriate. The collateral normally takes the form of cash or securities in respect of other credit instruments or a lien over the customer's assets and gives the Bank a claim on these assets for both existing and future liabilities. Collateral received in the form of securities is not recorded on the statement of financial position. Collateral received in the form of cash is recorded on the statement of financial position with a corresponding liability. These items are assigned to deposits received from banks or other counter parties. Any interest payable or receivable arising is recorded as interest payable or interest income respectively except for funding costs relating to trading activities which are recorded in net trading income.

2.11 Leases

The Bank leases several properties. Rental contracts are typically made for fixed periods of up to five (5) years but may have extension options as described below.

Lease terms are negotiated on an individual basis and contain a range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Bank.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on a rate, initially measured as at the commencement date;
- amounts expected to be payable by the Bank under residual value guarantees;
- the exercise price of a purchase option if the Bank is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

2.11 Leases (continued)

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Bank, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Bank:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs, and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Bank is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Right-of-use buildings held by the Bank under IFRS 16 are not revalued.

Payments associated with short-term leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value leases comprise residential premises for management.

Extension and termination options are included in a number of property leases across the Bank. These are used to maximise operational flexibility in terms of managing the assets used in the Bank's operations. The majority of extension and termination options held are exercisable only by the Bank and not by the respective lessor.

2.12 Income tax

Current income tax

Income tax payable on taxable profits is recognised as an expense in the period in which the profits arise. Income tax recoverable on tax allowable losses is recognised as an asset only to the extent that it is regarded as recoverable by offset against current or future taxable profits.

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered or paid to the Ghana Revenue Authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the statement of financial position date.

2.12 Income tax (continued)

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised except;

- Where deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current tax and deferred tax relating to items recognised directly in equity are also recognised in the statement of changes in equity and not in the statement of comprehensive income.

Deferred and current tax assets and liabilities are only offset when they arise in the same tax reporting entity and the same taxation authority, and where there is both the legal right to set off current tax assets against current tax liabilities and the intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.13 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, balances held with central banks and highly liquid financial assets with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Bank in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

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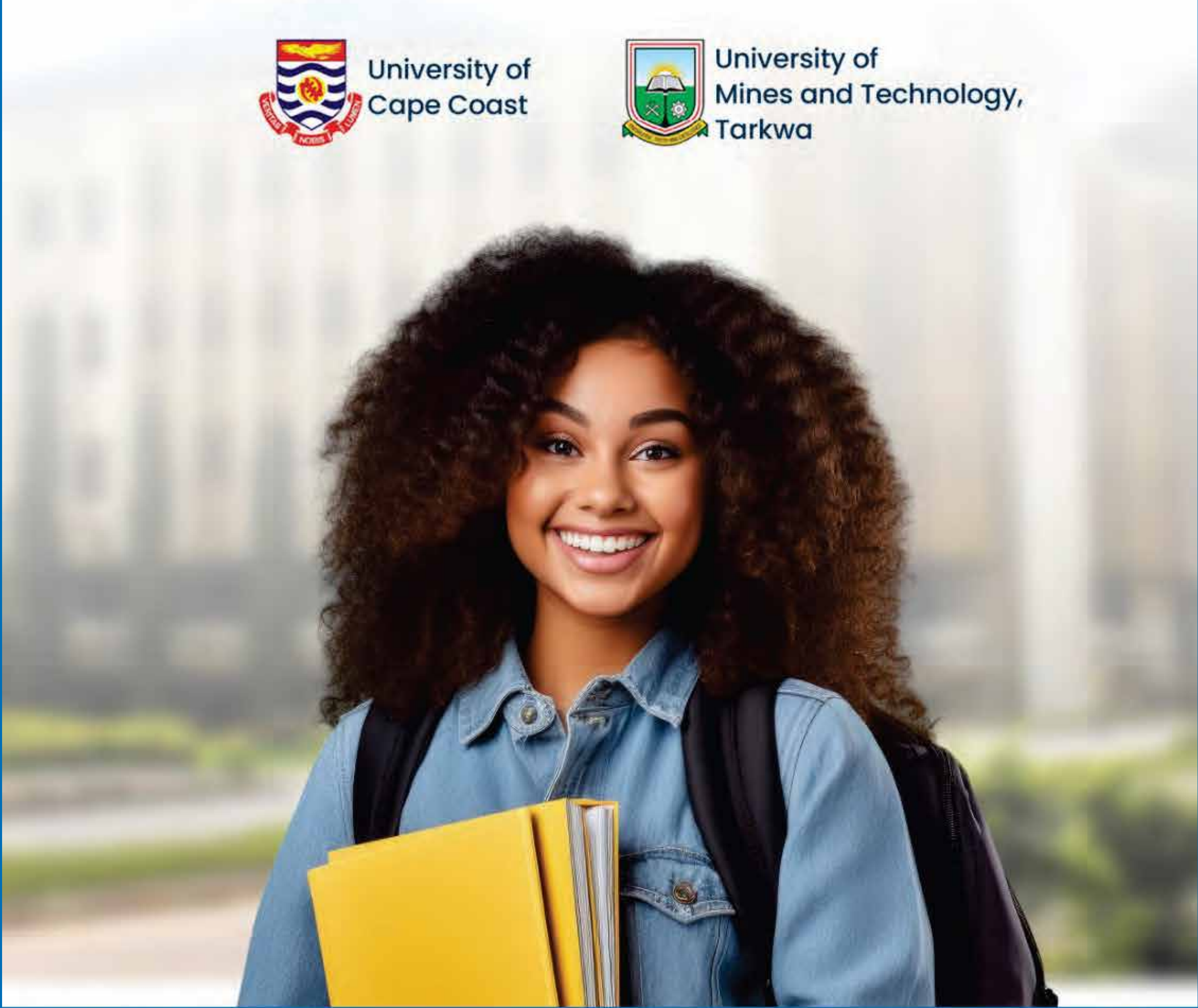

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2.12 Cash and cash equivalents (continued)

2.14 Property and equipment

Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs.

When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Subsequent costs

Subsequent expenditures are included in the asset's carrying amount or are recognised as a separate asset only when it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably. The carrying amount of a replaced part is derecognised. All other repair and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

Depreciation

Land is not depreciated. Depreciation is recognised in profit or loss on a straight-line basis to write off the gross value less residual amounts over their estimated useful lives. The estimated useful lives for the current and comparative periods are:

Leasehold land and buildings	30 - 50 years
Furniture, fittings and equipment	5 years
Computers and accessories	4 years
Motor vehicles	4 - 5 years

Capital work in progress

Property and equipment under construction is stated at initial cost and depreciated from the date the asset is made available for use over its estimated useful life. Assets are transferred from capital work in progress to an appropriate class of property and equipment when commissioned and ready for its intended use.

Derecognition

Property and equipment are derecognised upon disposal or when no future economic benefits are expected to flow to the Bank from either their use or disposal. The gain or loss on disposal of an item of property and equipment is determined by comparing the proceeds from disposal with the carrying amount of the item of property and equipment and is recognised directly in profit or loss.

Derecognition (continued)

2.15 Intangible assets

Computer software

Intangible assets comprise computer software licences. Intangible assets are recognised at cost. Intangible assets with a definite useful life are amortised using the straight-line method over their estimated useful life. At the end of each reporting period, intangible assets are reviewed for indications of impairment or changes in estimated future economic benefits. If such indications exist, the intangible assets are analysed to assess whether their carrying amount is fully recoverable. An impairment loss is recognised if the carrying amount exceeds the recoverable amount.

2.16 Non-current assets held for sale

Non-current assets are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognised in profit or loss. Once classified as held-for-sale, property and equipment are no longer amortised or depreciated.

2.17 Impairment of non-financial assets

The carrying amounts of the Bank's non-financial assets other than deferred income tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount, and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.18 Deposits and borrowings

Deposits from customers and borrowings from other banks are the Bank's sources of debt funding. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.18 Deposits and borrowings (continued)

2.19 Employee benefits

Defined contribution plans

The Bank operates a defined contribution plan. The Bank and its employees contribute to a defined contribution pension scheme. The Bank pays contributions on a mandatory basis and has no further payment obligations on the contributions to be made. Obligations for contributions to defined contribution plans are recognised as an expense in profit or loss when they are due.

Short-term benefits

Short-term employee benefits, such as salaries and other benefits, are accounted for on an accruals basis over the period which employees have provided services in the year. Bonuses are recognised to the extent that the Bank has a present obligation to its employees that can be measured reliably.

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

Termination benefits

Termination benefits are recognised as an expense when the Bank is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date. Termination benefits for voluntary redundancies are recognised if the Bank has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

2.20 Provisions and contingent liabilities

Provisions

Provisions are recognised when the Bank has a present legal or constructive obligation as a result of past events that can be reliably estimated and it is probable that an outflow of resources will be required to settle the obligation. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations which are likely to result in an outflow to settle related classes of obligations as a whole, a provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of expenditures expected to be required to settle obligations using pre-tax rates that reflect current market assessments of the time value of money and risks specific to the obligation. The unwinding of the discount due to the passage of time should be included as part of interest expense in profit or loss.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

2.21 Stated capital

Ordinary shares

Ordinary shares are classified as equity and presented as stated capital. All shares are issued at no par value. Incremental costs that are directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

Dividend on ordinary shares

Dividends on the Bank's ordinary shares are recognised in equity in the period in which they are paid or, appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period.

2.22 Earnings per share

The Bank presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders by the number of ordinary shares outstanding during the period. The Bank has no convertible notes and share options, which could potentially dilute its EPS and therefore the Bank's Basic and diluted EPS are essentially the same.

2.21 Post balance sheet events

Events subsequent to the reporting date are reflected in the financial statements only to the extent that they relate to the year under consideration and the effect is material.

3. Financial risk management

The Bank's business involves taking on risks in a targeted manner and managing them professionally. The core functions of the Bank's risk management are to identify all key risks for the Bank, measure these risks, manage the risk positions and determine capital allocations. The Bank regularly reviews its risk management policies and systems to reflect changes in markets, products and best market practice. The Bank's aim is to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Bank's financial performance. The Bank defines risk as the possibility of losses or profits foregone, which may be caused by internal or external factors.

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. Under this framework, the Board has established separate independent bodies responsible for managing and monitoring risks. These include, Board sub-committees, Management Credit Committee (MCC), Risk Management Department, and the Asset and Liability Management Committee (ALCO) which are responsible for developing and monitoring the Bank's risk management policies in their specified areas. All committees report regularly to the Board of Directors on their activities.

The Bank's risk management policies are established to analyse the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Bank, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The risks arising from financial instruments to which the Bank is exposed are financial risks, which includes credit risk, liquidity risk and market risk.

3.1 Credit risk management

Credit risk is the risk of suffering financial loss, should any of the Bank's customers, clients or market counterparties fail to fulfil their contractual obligations to the Bank. Credit risk arises mainly from commercial and consumer loans and advances and loan commitments arising from such lending activities, but can also arise from debt securities credit enhancements, financial guarantees, letters of credit, endorsements and acceptances.

Credit risk is the single largest risk for the Bank's business; the directors therefore carefully manage the exposure to credit risk. The credit risk management and control are centralised in a credit risk management team headed by the Chief Risk Officer, who reports to the Board of Directors.

3.1.1 Risk limit control and mitigation policies

The Bank structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review, when considered necessary. Limits on the level of credit risk by product, industry sector and country are approved annually by the Board of Directors.

The exposure to any one borrower including banks and brokers is further restricted by sub-limits covering on- and off-balance sheet exposures, and daily delivery risk limits in relation to trading items such as forward foreign exchange contracts. Actual exposures against limits are monitored daily. Lending limits are reviewed in response to changing market and economic conditions and assessments of probability of default.

The Bank also employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advanced, which is common practice. The Bank implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation.

Collaterals

The principal collateral types for loans and advances are:
- Mortgages over residential properties.
- Charges over business assets such as premises, inventory and accounts receivable.
- Charges over financial instruments such as debt securities and equities.

Collateral held as security for financial assets other than loans and advances depends on the nature of the instrument.

The Bank closely monitors collateral held for financial assets considered to be credit impaired, as it becomes more likely that the Bank will take possession of collateral to mitigate potential credit losses.

Impairment and provisioning policies

A provision for expected credit losses is established for all financial assets, except for financial assets classified or designated as FVPL and equity securities designated as FVOCI, which are not subject to impairment assessment. Assets subject to impairment assessment include loans and advances to customers, non-trading debt securities and other financial assets. These are carried at amortised cost and presented net of the provision for expected credit losses on the consolidated and separate statements of financial position.

3.1 Credit risk management (continued)

Off-balance sheet items subject to impairment assessment include financial guarantees, letters of credit and undrawn loan commitments. The provision for expected credit losses for off-balance sheet products subject to impairment assessment is separately calculated and recognised as provisions in other liabilities.

The Bank measures the provision for expected credit losses at each reporting date according to a three-stage expected credit loss impairment model which is based on changes in credit risk of financial assets since initial recognition.

Write-off policy

The Bank writes off a loan balance (and any related allowances for impairment losses) when the Bank determines that the loans are uncollectible. This determination is reached after considering information such as the occurrence of significant changes in the borrower's financial position such that the borrower can no longer pay the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure.

3.2 Expected credit loss measurement

Expected credit loss impairment model

The Bank's allowance for credit losses calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The expected credit loss impairment model reflects the present value of all cash shortfalls related to default events either over the following twelve months or over the expected life of a financial instrument depending on credit deterioration from inception.

The allowance for credit losses reflects an unbiased, probability-weighted outcome which considers multiple scenarios based on reasonable and supportable forecasts.

The Bank's allowance for credit losses calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The expected credit loss impairment model reflects the present value of all cash shortfalls related to default events either over the following twelve months or over the expected life of a financial instrument depending on credit deterioration from inception. The allowance for credit losses reflects an unbiased, probability-weighted outcome which considers multiple scenarios based on reasonable and supportable forecasts.

3.2 Expected credit loss measurement

The Bank adopts a three-stage approach for impairment assessment based on changes in credit quality since initial recognition:

(I) **Stage 1** – Where there has not been a significant increase in credit risk (SICR) since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss is recorded. The expected credit loss is computed using a probability of default occurring over the next 12 months. For those instruments with a remaining maturity of less than 12 months, a probability of default corresponding to remaining term to maturity is used.

(ii) **Stage 2** – When a financial instrument experiences a SICR subsequent to origination but is not considered to be in default, it is included in Stage 2. This requires the computation of expected credit loss based on the probability of default over the remaining estimated life of the financial instrument.

(iii) **Stage 3** – Financial instruments that are considered to be in default are included in this stage. Similar to Stage 2, the allowance for credit losses captures the lifetime expected credit losses.

3.2 Expected credit loss measurement (continued)

The guiding principle for ECL model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments since initial recognition. The ECL allowance is based on credit losses expected to arise over the life of the asset (lifetime expected credit loss) unless there has been no significant increase in credit risk since origination.

Measuring ECL – Explanation of inputs, assumptions and estimation techniques

(i) Measurement

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Bank in accordance with the contract and the cash flows that the Bank expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Bank if the commitment is drawn down and the cash flows that the Bank expects to receive; and
- financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Bank expects to recover.

Measuring ECL – Explanation of inputs, assumptions and estimation techniques

(ii) Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL are measured as follows:

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

(iii) Credit-impaired financial assets

At each reporting date, the Bank assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The Bank defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one of more of the following criteria:

Credit-impaired financial assets (continued)

Quantitative criteria

The borrower is more than 90 days past due on its contractual payments.

Qualitative criteria

The borrower meets unlikeliness to pay criteria, which indicates that the borrower is in significant financial difficulty. These are instances where:

- The borrower is in long-term forbearance, insolvent or deceased;
- The borrower is in breach of financial covenant(s);
- An active market for that financial asset has disappeared because of financial difficulties
- Concessions have been made by the Bank relating to the borrower's financial difficulty,
- It is becoming probable that the borrower will enter financial difficulty;
- It is becoming probable that the borrower will enter bankruptcy;
- Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

The criteria above have been applied to all financial instruments held by the Bank and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout the Bank's expected loss calculations.

An instrument is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of six (6) months.

(iv) Presentation of allowance for ECL in the statement of financial position.

Loan allowances for ECL are presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- Loan commitments and financial guarantee contracts: generally, as a provision;
- Where a financial instrument includes both a drawn and an undrawn component, and the Bank cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Bank presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and
- Debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

Presentation of allowance for ECL in the statement of financial position (continued)

(v) Write-offs

Loans and debt securities are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Bank determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Bank's procedures for recovery of amounts due.

(vi) Explanation of inputs, assumptions and estimation techniques: Exposure at Default (EAD), Probability of Default (PD) and Loss Given Default (LGD)

ECL is measured on either a 12-month (12M) or lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the PD, EAD, and LGD, defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation. This 12M PD is used to calculate 12-month ECLs. The Lifetime PD is used to calculate lifetime ECLs for stage 2 and 3 exposures.
- EAD is based on the amounts the Bank expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). For example, for a revolving commitment, the Bank includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.
- Loss Given Default (LGD) represents the Bank's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e.: the exposure has not prepaid or defaulted in an earlier month). The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The Lifetime PD is developed by applying a maturity profile to the current 12M PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type:

- For amortising products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12month or lifetime basis. This will also be adjusted for any expected overpayments made by a borrower. Early repayment/refinance assumptions are also incorporated into the calculation.

(All amounts are in thousands of Ghana Cedis)

3.2 Expected credit loss measurement (continued)

(vi) Explanation of inputs, assumptions and estimation techniques: Exposure at Default (EAD), Probability of Default (PD) and Loss Given Default (LGD) (continued)

- For revolving products, the exposure at default is predicted by taking current drawn balance and adding a "credit conversion factor" which allows for the expected drawdown of the remaining limit by the time of default. These assumptions vary by product type and current limit utilisation band, based on analysis of the Bank's recent default data. The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type.

Forward-looking economic information is also included in determining the 12-month and lifetime PD, EAD and LGD. These assumptions vary by product type. The assumptions underlying the ECL calculation – such as how the maturity profile of the PDs and how collateral values change etc. – are monitored and reviewed on a semi-annual basis. There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

(vii) Significant Increase in Credit Risk (SICR)

At each reporting date, the Bank assesses whether there has been a significant increase in credit risk (SICR) for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The assessment considers borrower-specific quantitative and qualitative information without consideration of collateral, and the impact of forward-looking macroeconomic factors. The common assessments for SICR on retail and non-retail portfolios include macroeconomic outlook, management judgement, and delinquency and monitoring. Forward looking macroeconomic factors are a key component of the macroeconomic outlook. The importance and relevance of each specific macroeconomic factor depends on factors such as the type of product, industry, borrower, geographical region etc.

(viii) Forward-looking information incorporated in the ECL models

The assessment of significant increase in credit risk (SICR) and the calculation of ECL both incorporate forward-looking information. The Bank has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio. These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument.

The forward-looking economic information affecting the ECL model are as follows:
- GDP Growth – GDP growth is used to assess the relative health of the economy. Forward looking information is incorporated by using the projected GDP growth rate for the current year as a base.
- Consumer price index (CPI) – CPI is used due to its influence on monetary policy and on interest rates. Interest rate has an impact on borrowers' likelihood of default. Forward looking information is incorporated by using the expected change in inflation rates for the next three quarters.

(ix) Economic Variable Assumptions

The most significant period end assumptions used for the ECL estimate as at 31 December 2023 are set out below.

Scenario	Weight %	GDP growth %	Consumer Price Index %
Base case	40	1.16	40.28
GDP up; CPI up	10	2.69	23.16
GDP down; CPI down	10	4.59	11.5
GDP up; CPI down	8	4.59	8
GDP down; CPI up	32	5.00	8

(All amounts are in thousands of Ghana Cedis)

3.2 Expected credit loss measurement (continued)

(x) Investment securities

The Bank's investments comprise investments in government securities, equity securities listed on the Ghana Stock Exchange and other unlisted equity investments.

Impact of Ghana's Domestic Debt Exchange Programme (DDEP) on investment securities

On 5 December 2023, the Government of Ghana announced Ghana's Domestic Debt Exchange Programme (DDEP). The Programme invited eligible bondholders to voluntarily exchange eligible local currency bonds issued by the Government of Ghana, ESLA and Daakye bonds for a new series of bonds to be issued by the Government. Subsequently on 4 September 2023, the Government further invited eligible holders of Cocoa Bills and local dollar bonds to exchange them for new bonds to be issued to them.

In 2023 the Bank successfully exchanged GHS 432.1 million Government of Ghana Cedi bonds, GHS GHS413.4 million COCOBOD bonds and GHS22.9 million Government of Ghana USD bonds for a series of new bonds with maturity dates commencing from 2027-2038, 2024-2028 and 2027-2028 respectively, through the Ghana Domestic Debt Exchange Programme. A modification loss of GHS10.5 million was recognised as a result of the exchange of bonds.

3.2.1 Maximum exposure to credit risk before collateral held

The following tables show the analyses of the credit risk exposure of financial instruments. The Bank's maximum exposure to credit risk is represented by the net carrying amounts of the financial assets with the exception of financial and other guarantees issued by the Bank for which the maximum exposure to credit risk is represented by the maximum amount the Bank would have to pay if the guarantees are called on.

	2023 GH¢'000	2022 GH¢'000
On-balance sheet financial assets subject to impairment		
Balances with banks	1,413,923	763,721
Loans and advances to customers	579,945	676,273
Non-trading assets	3,260,026	1,343,430
Other financial assets	46,797	37,008
	5,300,691	2,820,432
Off-balance sheet financial assets subject to impairment		
Letters of credit	-	19,828
Guarantees	1,230,860	825,095
	1,230,860	844,923

(All amounts are in thousands of Ghana Cedis)

3.2 Expected credit loss measurement (continued)

3.2.2 Credit quality analysed by class of financial instrument

The Bank's credit exposures were categorised under IFRS 9 as follows:

- Stage 1 – At initial recognition and no significant increase in credit risk after initial recognition
- Stage 2 – Significant increase in credit risk since initial recognition
- Stage 3 – Credit impaired

The tables below show the credit quality by class of financial assets subject to impairment and the allowance for impairment losses held by the Bank against those assets.

	Stage 1 12-month ECL GH¢'000	Stage 2 Lifetime ECL GH¢'000	Stage 3 Lifetime ECL GH¢'000	Total GH¢'000
At 31 December 2023				
Balances with banks	1,413,923	-	-	**1,413,923**
Loans and advances to customers	352,249	51,459	283,510	**687,218**
Non-trading assets	2,429,294		835,544	**3,264,838**
Other financial assets	46,797	-	-	**46,797**
Gross carrying amount	**4,242,263**	**51,459**	**1,119,054**	**5,412,776**
Expected credit loss	(21,334)	(55)	(90,696)	**(112,085)**
Carrying amount	**4,220,929**	**51,404**	**1,028,358**	**5,300,691**
Off-balance sheet exposures				
Guarantees	1,230,860	-	-	**1,230,860**
Gross carrying amount	**1,230,860**	**-**	**-**	**1,230,860**
Expected credit loss on off-balance sheet exposures	**(29,123)**	**-**	**-**	**(29,123)**

(All amounts are in thousands of Ghana Cedis)

3.2 Expected credit loss measurement (continued)

3.2.2 Credit quality analysed by class of financial instrument (continued)

	Stage 1 12-month ECL GH¢'000	Stage 2 Lifetime ECL GH¢'000	Stage 3 Lifetime ECL GH¢'000	Total GH¢'000
At 31 December 2022				
Balances with banks	763,721	-	-	763,721
Loans and advances to customers	531,426	3,701	242,699	777,826
Non-trading assets	-	924,533	563,882	1,488,415
Other financial assets	37,008	-	-	37,008
Gross carrying amount	1,332,155	928,234	806,581	3,066,970
Expected credit loss	-	(18,353)	(228,185)	(246,538)
Carrying amount	1,332,155	909,881	578,396	2,820,432
Off-balance sheet exposures				
Letters of credit	19,828	-	-	19,828
Guarantees	825,095	-	-	825,095
Gross carrying amount	844,923	-	-	844,923
Expected credit loss on off-balance sheet exposures	(13,734)	-	-	(13,734)

The table below shows the analysis of the credit quality of loans and advances and allowance for impairment losses held by the Bank.

	Stage 1 12-month ECL GH¢'000	Stage 2 Lifetime ECL GH¢'000	Stage 3 Lifetime ECL GH¢'000	Total GH¢'000
At 31 December 2023				
Overdrafts	76,235	-	42,971	119,206
Term loans	276,014	51,459	240,539	568,012
Gross carrying amount	352,249	51,459	283,510	687,218
Expected credit loss	(21,334)	(55)	(85,884)	(107,273)
Carrying amount	330,915	51,404	197,626	579,945

(All amounts are in thousands of Ghana Cedis)

3.2 Expected credit loss measurement (continued)

3.2.2 Credit quality analysed by class of financial instrument (continued)

	Stage 1 12-month ECL GH¢'000	Stage 2 Lifetime ECL GH¢'000	Stage 3 Lifetime ECL GH¢'000	Total GH¢'000
At 31 December 2022				
Overdrafts	41,433	205	34,570	76,208
Term loans	489,993	3,496	208,129	701,618
Gross carrying amount	531,426	3,701	242,699	777,826
Expected credit loss	(6,764)	(104)	(94,685)	(101,553)
	524,662	3,597	148,014	676,273

3.2.3 Collaterals and other credit enhancements

Collateral held as security for financial assets other than loans and advances depends on the nature of the instrument. Longer-term finance and lending to corporate entities are generally secured; revolving individual credit facilities are generally unsecured.

In addition, in order to minimise the credit loss, the Bank will seek additional collateral from the counterparty as soon as impairment indicators are identified for the relevant individual loans and advances.

The Bank's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Bank since the prior year.

The Bank closely monitors collateral held for financial assets considered to be credit-impaired, as it becomes more likely that the Bank will take possession of collateral to mitigate potential credit losses.

3.2.4 Repossessed collateral

The type and carrying amount of collateral that the Bank has taken possession of in the period are measured at the lower of its' carrying amount and fair value less costs to sell. The details of repossessed collateral held by the Bank as at the reporting date was as follows:

	2023 GH¢'000	2022 GH¢'000
Commercial properties	6,009	15,987

(All amounts are in thousands of Ghana Cedis)

3.3 Liquidity risk

Liquidity risk is the risk that the Bank will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset when they fall due.

3.3.1 Management of liquidity risk

The Bank maintains a portfolio of liquid assets, largely made up of short-term liquid investment securities, loans and advances to banks and other inter-bank facilities, to ensure that sufficient liquidity is maintained within the Bank in order to meet all obligations, repay depositors, fulfil commitments to lend and meet any other commitments when they fall due.

The Bank's treasury also monitors unmatched medium-term assets, the level and type of undrawn lending commitments, the usage of overdraft facilities and the impact of contingent liabilities such as standby letters of credit and guarantees.

Sources of liquidity are regularly reviewed by the Treasury Department to maintain a wide diversification by currency, provider, product and term.

Liquidity policies and procedures are subject to review and approval by ALCO.

3.3.2 Exposure to liquidity risk

The table below presents the cash flows payable under non-derivative financial liabilities and assets held for managing liquidity risk by remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Up to 3 months GH¢'000	3 to 12 months GH¢'000	Over 1 year GH¢'000	Total GH¢'000
At 31 December 2023				
Deposits from banks and other financial institutions	160,933	-	-	**160,933**
Customer deposits	3,250,806	1,385,284	619,218	**5,255,308**
Other financial liabilities	56,297	-	-	**56,297**
Lease liabilities	685	18,307	60,161	**79,153**
	3,468,721	**1,403,591**	**679,379**	**5,551,691**
Cash and balances with banks	1,505,522	-	-	**1,505,522**
Loans and advances to customers	330,915	51,404	197,626	**579,945**
Non-trading assets	2,161,453	289,388	809,185	**3,260,026**
Other financial assets	46,797	-	-	**46,797**
	4,044,687	**340,792**	**1,006,811**	**5,392,290**
Liquidity gap	**575,966**	**(1,062,799)**	**327,432**	**(159,401)**

(All amounts are in thousands of Ghana Cedis)

3.3 Liquidity risk (continued)

3.3.2 Exposure to liquidity risk (continued)

	Up to 3 months GH¢'000	3 to 12 months GH¢'000	Over 1 year GH¢'000	Total GH¢'000
At 31 December 2022				
Deposits from banks and other financial institutions	121,708	-	-	121,708
Customer deposits	1,609,632	702,695	301,677	2,614,004
Other liabilities	21,854	-	-	21,854
Lease liabilities	301	7,083	58,232	65,616
	1,753,495	709,778	359,909	2,823,182
Cash and balances with banks	816,047	-	-	816,047
Loans andadvances to customers	372,701	181,056	122,516	676,273
Non-trading assets	658,162	316,276	368,992	1,343,430
Other financial assets	37,008			37,008
	1,883,918	497,332	491,508	2,872,758
Liquidity gap	130,423	(212,446)	131,599	49,576

3.4 Market risk

Market risk is the risk of loss arising from adverse changes in market conditions (interest rates, exchange rates and equity prices) during the year. Positions that expose the Bank to market risk can be trading or non-trading related. Trading risk comprises positions that the Bank holds as part of its trading or market-making activities, whereas non-trading risk includes discretionary positions that the Bank undertake for liquidity.

3.4.1 Risk identification

Overall responsibility for management of market risk rests with Assets and Liability Committee (ALCO). The Risk Department is responsible for the development of detailed market risk management policies (subject to review and approval by ALCO) and for the day-to-day implementation of those policies. The Board Sub-Committee on Risk Management has oversight responsibility for market risk management.

3.4.2 Interest rate risk

Interest rate risk is the exposure of current and future earnings and capital to adverse changes in the level of interest rates. Exposure to interest rate risk can result from a variety of factors, including:

(i) Differences between the timing of market interest rate changes and the timing of cash flows (repricing risk);
(ii) Changes in the market interest rates producing different effects on yields on similar instruments with different maturities (yield curve risk); and
(iii) Changes in the level of market interest rates producing different effects on rates received or paid on instruments with similar repricing characteristics (basis risk).

(All amounts are in thousands of Ghana Cedis)

3.4 Market risk (continued)

3.4.2 Interest rate risk (continued)

The table below summarises the Bank's exposure to interest rate risks.

	Up to 3 months GH¢'000	3 to 12 months GH¢'000	Over 1 year GH¢'000	Non-interest bearing GH¢'000	Total GH¢'000
At 31 December 2023					
Balances with banks	565,977	-	-	847,946	**1,413,923**
Loans and advances	330,915	51,404	197,626	-	**579,945**
Non-trading assets	2,161,453	289,388	809,185	-	**3,260,026**
Other financial assets	46,797	-	-	-	**46,797**
	3,105,142	**340,792**	**1,006,811**	**847,946**	**5,300,691**
Deposits from banks and other financial institutions	157,302	-	-	-	**157,302**
Customer deposits	3,003,554	1,311,220	562,925	-	**4,877,699**
Other liabilities	-	-	-	56,297	**56,297**
Lease liabilities	678	12,883	56,231	-	**69,792**
	3,161,534	**1,324,103**	**619,156**	**56,297**	**5,161,090**
Interest re-pricing gap	**(56,392)**	**(983,311)**	**387,655**	**791,649**	**139,601**
At 31 December 2022					
Balances with banks	255,309	-	-	508,412	763,721
Loans and advances	372,701	181,056	122,516	-	676,273
Non-trading assets	658,162	316,276	368,992	-	1,343,430
Other financial assets	-	-	-	37,008	37,008
	1,286,172	497,332	491,508	545,420	2,820,432
Deposits from banks and other financial institutions	121,708	-	-	-	121,708
Customer deposits	832,978	402,605	172,844	1,116,325	2,524,752
Other liabilities	-	-	-	21,854	21,854
Lease liabilities	301	6,050	49,731	-	56,082
	954,987	408,655	222,575	1,138,179	2,724,396
Interest re-pricing gap	331,185	88,677	268,933	(592,759)	96,036

(All amounts are in thousands of Ghana Cedis)

3.4 Market risk (continued)

3.4.3 Foreign exchange risk

Foreign exchange risk is measured through the statement of comprehensive income. The Bank takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The table below summarises the Bank's exposure by currency exchange rates on its financial position and cash flows.

	USD GH¢'000	EUR GH¢'000	GBP GH¢'000	Others GH¢'000	Total GH¢'000
At 31 December 2023					
Cash and balances with banks	13,9912	69,939	4,573	29,487	**243,911**
Loans and advances	48,969	-	-	-	**48,969**
Non-trading assets	24,910	-	-	-	**24,910**
Other financial assets	9	7	-	-	**16**
	213,800	**69,946**	**4,573**	**29,487**	**317,806**
Customer deposits	**507,197**	**67,445**	**3,900**	**5,645**	**584,187**
Net onbalance sheet exposure	(293,397)	2,501	673	23,842	(266,381)
Increase in currency rate (cedi depreciation 3%)	(284,595)	2,426	653	23,127	(258,389)
Effect on profit before tax	**(8,802)**	**75**	**20**	**715**	**(7,992)**

(All amounts are in thousands of Ghana Cedis)

3.4 Market risk (continued)

3.4.3 Foreign exchange risk (continued)

	USD GH¢'000	EUR GH¢'000	GBP GH¢'000	Others GH¢'000	Total GH¢'000
At 31 December 2022					
Cash and balances with banks	11,025	1,428	312	613	13,378
Loans and advances	6,362	25	10	135	6,532
Non-trading assets	35,120	4,658			39,778
Other financial assets	2,084				2,084
	54,591	6,111	322	748	61,772
Deposits from banks and other financial institutions	4,075	-	-	-	4,075
Customer deposits	15,586	1,161	170	817	17,734
Other liabilities	35,218	4,818	218	-	40,254
	54,879	5,979	388	817	62,063
Net on-balance sheet exposure	(288)	132	(66)	(69)	(291)
Increase in currency rate (cedi depreciation 3%)	(297)	136	(68)	(71)	(300)
Effect on profit before tax	(9)	4	(2)	(2)	(9)

3.5 Fair value of financial instruments

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Bank determines fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

Valuation models

The Bank measures fair values using the following fair value hierarchy, which reflects the significance of inputs used in making the measurements.

- **Level 1:** inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- **Level 2:** inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active, or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- **Level 3:** inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which market observable prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premiums used in estimating discount rates and foreign currency exchange rates and expected price volatilities and correlations.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

The Bank did not have any financial instruments measured at fair value as at 31 December 2023 (2022: Nil).

The Bank's objectives when managing capital include:

- Complying with capital requirements set by the Bank of Ghana;
- Safeguarding the Bank's ability to continue as a going concern to enable it to continue providing returns for shareholders and benefits for other stakeholders; and
- Maintaining a strong capital base to support the development of its business.

The Capital Requirements Directive (CRD) requires banks to implement Pillar 1 principles of Basel II. The Capital Requirement Directive (CRD) has four main parts. The first part provides principles for capital management and the constituents of eligible regulatory capital. The second, third and fourth parts provide guidance on the role of the board in the management of credit, operational and market risk respectively. Guidelines for the computation of credit risk weighted asset, operational and market risk capital charges are also detailed in the CRD document.

Capital adequacy and the use of regulatory capital are monitored daily by management, employing techniques based on guidelines developed by the Basel Committee as implemented by Bank of Ghana for supervisory purposes. The required information is filed with Bank of Ghana on a monthly basis. Bank of Ghana requires each bank to:
(a) Hold a minimum capital of GH¢400 million; and
(b) Maintain a ratio of total regulatory capital to risk-weighted assets above a required minimum as advised by the Bank of Ghana.

The Bank's regulatory capital is divided into two tiers:

- **Common Equity Tier 1 capital:** includes ordinary (common) shares issued by the bank that meet the criteria for classification as ordinary shares for regulatory purposes, retained earnings, statutory reserves and disclosed reserves after deducting specified assets such as intangibles and certain classes of investments.
- **Common Equity Tier 2 capital:** includes qualifying subordinated loan capital, property revaluation reserves and unrealised gains arising on the fair valuation of instruments held as hold to collect and sell.

The risk-weighted assets are measured using the standardised approach to reflect an estimate of credit, market and operational risks associated with each counterparty for on and off-balance sheet exposures.

The Bank of Ghana revised the required ratio of total regulatory capital to risk-weighted assets to 10% as part of regulatory reliefs for Banks to address the potential impact from participation in the Government Domestic Debt Exchange Programme.The Bank of Ghana Capital Requirements Directive (CRD or 'the Directive') issued under Section 92(1) of the Banks and Specialised Deposit-taking Institutions Act, 2016 (Act 930) ('the BSDI Act') and Section 4(d) of the Bank of Ghana Act, 2002 (Act 612) prescribes a risk-based capital adequacy requirement.

(All amounts are in thousands of Ghana Cedis)

The table below summarise the composition of regulatory capital adequacy ratio of the Bank.

	2023 GH¢'000	2022 GH¢'000
Tier 1 Capital		
Paid up capital (ordinary shares)	915,948	915,948
Statutory reserves	64,490	3,893
Retained earnings	(624,575)	(654,428)
Common Equity Tier 1 capital before adjustments	355,863	265,413
Regulatory adjustments to Tier 1 capital	7,687	40,803
Additional Tier 1 capital		-
Total qualifying Tier 1 capital	363,550	306,216
Tier 2 Capital		
Property revaluation reserves	-	-
Other reserves	-	-
Total qualifying tier 2 capital	-	-
Total regulatory capital	363,550	306,216
Risk profile		
Total credit risk-weighted asset	1,065,508	848,362
Total operational risk-weighted asset	545,453	98,735
Total market riskweighted asset	28,010	26,412
Total risk-weighted assets	1,638,971	973,509
Capital adequacy ratio	22.55%	31.45%

5. Critical accounting estimates and judgements

The Bank's financial statements and financial results are influenced by accounting policies, assumptions, estimates and management judgement, which necessarily have to be made in the course of preparing the financial statements.

The Bank makes estimates and assumptions that affect reported amounts of assets and liabilities. All estimates and assumptions required in conformity with IFRS are based on best estimates undertaken in accordance with applicable standards. Estimates and judgements are evaluated on a continuous basis, based on experience and other factors, including expectations regarding future events.

a) Impairment losses on loans and advances

The Bank reviews its loan portfolio to assess impairment at least on a quarterly basis. In determining whether an impairment loss should be recorded in profit or loss, the Bank considers observable data that may indicate measurable decreases in estimated future cash flows from a portfolio of loans before decreases can be identified with individual loans in that portfolio. This evidence may include observable data indicating adverse changes in the payment status of borrowers in a group, or economic conditions that correlate with defaults on assets in a group. Management uses estimates based on historical loss experience for assets with similar credit risk characteristics and objective evidence.

b) Income taxes

Significant estimates are required in determining provisions for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Bank recognises liabilities for anticipated tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences are adjusted in the period in which such determination is made.

c) Leases

In determining the lease term, the Bank considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

d) Impairment of investment securities

The Bank considers evidence of impairment for investment securities at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Investment securities that are not individually significant are collectively assessed for impairment.

In assessing impairment for investment securities that are within the scope of the Government of Ghana's Domestic Debt Exchange Programme, impairment is calculated as the difference between carrying value of the old investments and the fair value of new investments calculated as the present value of future cash flows using an appropriate discount rate. Management has applied a range of valuation assumptions to arrive at a proxy for an appropriate discount rate due to the current complexities in Ghana's bond market.

(All amounts are in thousands of Ghana Cedis)

6. Net interest income

	2023	2022
Interest income		
Loans and advances to customers	143,477	92,031
Placement with other banks	31,448	29,443
Investment securities	659,895	206,678
	834,820	328,152
Interest expense		
Savings and call accounts	101,760	15,859
Time and other deposits	261,443	176,900
Deposits from banks and other financial institutions	47,004	19,425
	410,207	212,184
Net interest income	424,613	115,968

7. Net fee and commission income

	2023	2022
Fee and commission income		
Service fees	25,969	17,764
Processing and facility fees	18,474	23,956
Other fees and commissions	14,777	3,804
	59,220	45,524
Fee and commission expense		
Visa charges	2,084	941
Other fees and commissions	909	318
	2,993	1,259
Net fee and commission income	56,227	44,265

(All amounts are in thousands of Ghana Cedis)

8. Net trading income

	2023	2022
Transaction gains less losses - net	**36,520**	336,401
Translation gains less losses - net	**10,363**	(295,626)
	46,883	40,775

9. Other income /(expenses)

	2023	2022
Gain on disposal of equipment - note 22	**1,273**	196
Recoveries on loans and investments written - off	**4,994**	6
Lease remeasurements and cancellations	**108**	15,054
Sundry income	**-**	1,628
	6,375	16,884

10. Net impairment charge/(release)

	2023	2022
Loans and advances to customers - note 16	**31,032**	(1,535)
Non-trading assets - note 17	**(3,602)**	136,856
Contingent liabilities - note 25	**15,389**	13,398
Intangible assets - note 21	**7,944**	-
	50,763	148,719

11. Personnel expenses

	2023	2022
Wages and salaries	**39,030**	26,277
Contribution to defined benefit plans	**7,238**	5,171
Other staff costs	**58,935**	35,127
	105,203	66,575

The number of persons employed by the Bank at the end of the year was 762 (2022: 739).

12. Depreciation and amortisation expense

	2023	2022
Right-of-use assets-note 20	**14,248**	12,523
Intangible assets-note 21	**14,265**	1,744
Property and equipment-note 22	**15,746**	6,653
	44,259	20,920

(All amounts are in thousands of Ghana Cedis)

13. Other operating expenses

Other operating expenses include:

	2023	2022
Advertising and business promotion	**15,254**	8,391
Repairs and maintenance	**15,729**	5,486
Security expenses	**2,930**	2,373
Utilities	**3,516**	2,853
Professional fees	**2,975**	492
Directors' emoluments	**776**	931
hsurance	**8,182**	3,999
Travel and transport	**8,944**	3,443
Auditor's remuneration	**1,535**	960
Donations	**702**	934
Training	**3,763**	41
Communication	**8,234**	5,707
Motor vehicle expense	**5,591**	12,108
IT services and software	**10,889**	7,910
Printing and publication expenses	**2,407**	1,741
Other expenses	**67,048**	40,543
	158,475	97,912

14. Income tax

Income tax credit

	2023	2022
Current income tax expense	**29,408**	-

The tax on the Bank's loss before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	2023	2022
Profit before tax	**150,601**	(127,511)
Corporate tax rate at 25% (2022: 25%)	**37,650**	(31,878)
Non-deductible expenses	**33,419**	47,038
Other timing differences	**(56,721)**	(15,160)
National Fiscal Stabilisation Levy	**7,530**	-
Financial Sector Recovery Levy	**7,530**	-
	29,408	-

(All amounts are in thousands of Ghana Cedis)

14. Income tax (continued)

Current income tax

The movement in current income tax is as follows:

	At 1 January	Charge for the year	Payments	At 31 December
Current tax				
Year ended 31 December 2023				
Up to 2022	**(9,834)**	**-**	**-**	**(9,834)**
2023	**-**	**14,348**	**(12,212)**	**2,136**
	(9,834)	**14,348**	**(12,212)**	**(7,698)**
National Fiscal Stabilisation Levy				
Up to 2022	**(62)**			**(62)**
2023	**-**	**7,530**	**(5,432)**	**2,098**
	(62)	**7,530**	**(5,432)**	**2,036**
Financial Sector Recovery Levy				
2023	**-**	**7,530**	**(5,432)**	**2,098**
Total current income tax	**(9,896)**	**29,408**	**(23,076)**	**(3,564)**
Year ended 31 December 2022				
Up to 2021	(5,737)	-	-	(5,737)
2022	-	-	(4,159)	(4,159)
	(5,737)	-	(4,159)	(9,896)

The National Fiscal Stabilisation Levy and National Financial Sector Recovery Levy are charged at 5% on profit before tax respectively. The levies are not an allowable tax deduction.

Deferred income tax

Deferred income tax is calculated using the enacted income tax rate of 25% (2022: 25%).

Year ended 31 December 2023	At 1 January	Movement	At 31 December
Accelerated depreciation	10,746	(16,916)	**(6,170)**
Impairment provision on financial instruments	(37,179)	(756)	**(37,935)**
Tax losses	(47,039)	47,039	**-**
Leases	(1,068)	605	**(463)**
Year ended 31 December 2023	(74,540)	29,972	**(44,568)**

(All amounts are in thousands of Ghana Cedis)

14. Income tax (continued)

Deferred income tax (continued)

Year ended 31 December 2022	At 1 January	Movement	At 31 December
Accelerated depreciation	2,821	7,925	10,746
Impairment provision on financial instruments	(47,550)	10,371	(37,179)
Tax losses	(31,157)	(15,882)	(47,039)
Leases	(5,252)	4,184	(1,068)
	(81,138)	6,598	(74,540)

Deferred income taxes are calculated on temporary differences using the liability method and using a principal tax rate of 25%. The Bank's deferred income tax assets of GH¢44.5 million (2022: GH¢74.5 million) have not been recognised because taxable profits are not available against which they can be utilised.

15. Cash and balances with banks

	2023	2022
Cash on hand	**91,599**	52,326
Unrestricted balances with banks	**360,176**	255,937
Restricted balances with Bank of Ghana	**487,770**	252,475
Money market placements	**565,977**	255,309
	1,505,522	816,047

Restricted balances are mandatory deposits held with the central bank in accordance with the Bank of Ghana guidelines and are not available for use in the Bank's day-to-day operations.

For the purposes of the statement of cash flow, cash and cash equivalents comprise the following:

	2023	2022
Cash on hand	**91,599**	52,326
Unrestricted balances with banks	**360,176**	255,937
Money market placements	**565,977**	255,309
Investment securities maturing within 90 days of acquisition	**1,708,365**	402,871
	2,726,117	966,443

(All amounts are in thousands of Ghana Cedis)

16. Loans and advances to customers

	2023	2022
Overdrafts	131,376	67,184
Term loans	543,936	707,548
Staff loans	11,906	3,094
Gross loans and advances	687,218	777,826
Expected credit loss allowance	(107,273)	(101,553)
Net loans and advances	579,945	676,273
The movement on impairment allowance on loans and advances is as follows:		
At 1 January	101,553	103,088
Amounts written-off as uncollectible	(25,312)	-
Impairment charge/(release)	31,032	(1,535)
	107,273	101,553
Analysis of loans and advances by industry		
Agriculture	33,685	648
Manufacturing	847	127,520
Commerce and finance	101,141	213,905
Transport and communications	3,033	20,761
Mining and quarrying	52,884	1,711
Building and construction	169,274	100,884
Services	312,194	290,254
Electricity, oil, gas, energy and water	14,160	22,143
	687,218	777,826

The fifty largest exposures constitute 87% (2022: 90%) of the total loans and advances.

The credit-impaired loans constitute 32% (2022: 31%) of the total loans and advances.

(All amounts are in thousands of Ghana Cedis)

17. Investments

	2023	2022
Non-trading assets		
Government securities	**3,209,971**	1,377,814
Mutual funds	**23,383**	22,780
Fixed deposits	**31,484**	87,821
	3,264,838	1,488,415
Expected credit loss allowance	**(4,812)**	(144,985)
	3,260,026	1,343,430
The movement on impairment allowance on investments is as follows:		
At 1 January	**144,985**	8,129
Derecognised on exchange of investments	**(136,571)**	-
Impairment (release) /charge	**(3,602)**	136,856
At 31 December	**4,812**	144,985
The impairment allowance is allocated as follows:		
Government securities	**-**	136,571
Fixed deposits	**4,812**	8,414
	4,812	144,985

During the year, the Bank successfully exchanged GHS 432.1 million Government of Ghana Cedi bonds, GHS GHS413.4 million COCOBOD bonds and GHS22.9 million Government of Ghana USD bonds for a series of new bonds with maturity dates commencing from 2027-2038, 2024-2028 and 2027-2028 respectively, through the Ghana Domestic Debt Exchange Programme. A modification loss of GHS10.5 million was recognised as a result of the exchange of bonds.

(All amounts are in thousands of Ghana Cedis)

18. Other assets	2023	2022
Financial assets	**46,797**	37,008
Non-financial assets	**19,117**	8,930
	65,914	45,938
Financial assets		
E-money	**21,669**	21,544
Sundry receivables	**25,128**	15,464
	46,797	37,008
Expected credit loss allowance	**-**	-
	46,797	37,008
The movement on impairment allowance on financial assets is as follows:		
At 1 January	**-**	6,727
Write off	**-**	(6,727)
At 31 December	**-**	-
Non-financial assets		
Prepayments	**15,035**	7,342
Stationaries	**4,082**	1,588
	19,117	8,930

19. Non-current assets held for sale

	2023	2022
Commercial properties	**6,009**	15,987

Assets repossessed due to loan default are classified as non-current assets held for sale and are presented separately in the statement of financial position.

(All amounts are in thousands of Ghana Cedis)

20. Leases

The statement of financial position shows the following amounts in relation to leases:

	2023	2022
Right-of-use assets		
Buildings	**71,364**	74,527
Lease liabilities		
Current	**13,561**	13,681
Non-current	**56,231**	42,401
	69,792	56,082

The movement in right-of-use assets is as follows:

	2023	2022
Cost		
At 1 January	**92,557**	90,468
Additions	**12,844**	62,121
Lease remeasurement	**(789)**	-
Lease terminations	**(1,133)**	(60,032)
At 31 December	**103,479**	92,557
Accumulated depreciation		
At 1 January	**18,030**	20,838
Depreciation charge	**14,248**	12,523
Lease terminations	**(163)**	(15,331)
At 31 December	**32,115**	18,030
	71,364	74,527

The movement in lease liabilities is as follows:

	2023	2022
At 1 January	**56,082**	81,683
Additions	**12,844**	58,524
Lease remeasurements	**(789)**	-
Finance cost	**14,259**	11,277
Payments	**(11,526)**	(35,982)
Lease terminations	**(1,078)**	(59,755)
Foreign exchange loss on lease liabilities	**-**	335
	69,792	56,082

(All amounts are in thousands of Ghana Cedis)

21. Intangible assets

	Software	Work in progress	Total
Year ended 31 December 2023			
At 1 January	39,303	21,943	**61,246**
Additions	18,739	-	**18,739**
Transfers	21,943	(21,943)	**-**
Impairment	(7,944)		**(7,944)**
At 31 December	**72,041**	-	**72,041**
Amortisation			
At 1 January	7,347	-	**7,347**
Amortisation for the year	14,265	-	**14,265**
At 31 December	**21,612**	-	**21,612**
Net carrying amount	50,429	-	**50,429**
Year ended 31 December 2022			
At 1 January	6,045	9,989	16,034
Additions	33,258	5,374	38,632
Transfers from other assets	-	6,580	6,580
Transfers from CWIP in plant and equipment	-	-	-
At 31 December	39,303	21,943	61,246
Amortisation			
At 1 January	5,603	-	5,603
Amortisation for the year	1,744	-	1,744
At 31 December	7,347	-	7,347
Net carrying amount	31,956	21,943	53,899

(All amounts are in thousands of Ghana Cedis)

22. Property and equipment

	Leasehold land & buildings	Furniture, fittings & equipment	Computer & accessories	Motor vehicles	Capital work in progress	Total
Year ended 31 December 2023						
Cost						
At 1 January 2023	61,855	34,833	11,108	14,409	1,758	**123,963**
Additions	26,401	17,187	15,918	20,032	2,708	**82,246**
Transfers	-	35	(29)	129	(135)	**-**
Disposals	-	(368)	(635)	(3,552)	-	**(4,555)**
At 31 December 2023	**88,256**	**51,687**	**26,362**	**31,018**	**4,331**	**201,654**
Accumulated depreciation						
At 1 January 2023	14,660	23,307	6,799	6,649	-	51,415
Depreciation for the year	2,715	3,820	4,565	4,646	-	15,746
Disposals	-	(368)	(635)	(3,552)	-	(4,555)
At 31 December 2023	**17,375**	**26,759**	**10,729**	**7,743**	**-**	**62,606**
Net carrying amount	**70,881**	**24,928**	**15,633**	**23,275**	**4,331**	**139,048**
Year ended 31 December 2022						
Cost						
At 1 January2022	56,556	28,926	7,472	7,400	8,338	108,692
Additions	5,299	5,907	3,636	7,299	-	22,141
Transfers to intangible assets	-	-	-	-	(6,580)	(6,580)
Disposals	-	-	-	(290)	-	(290)
Write-offs	-	-	-	-	-	-
At 31 December 2022	61,855	34,833	11,108	14,409	1,758	123,963
Accumulated depreciation						
At 1 January 2022	13,151	19,760	5,856	6,285	-	45,052
Depreciation for the year	1,509	3,547	943	654	-	6,653
Disposals	-	-	-	(290)	-	(290)
At 31 December 2022	14,660	23,307	6,799	6,649	-	51,415
Net carrying amount	47,195	11,526	4,309	7,760	1,758	72,548

(All amounts are in thousands of Ghana Cedis)

22. Property and equipment (continued)

	2023	2022
Cost	4,555	290
Accumulate d depreciation	(4,555)	(290)
Carrying amount	-	-
Proceeds from disposal	(1,273)	(196)
Gain on disposal	(1,273)	(196)

23. Deposits from banks and other financial institutions

	2023	2022
Deposits from local banks	98,358	119,298
Deposits from foreign banks	58,944	2,410
	157,302	121,708

24. Deposits from customers

	2023	2022
Current accounts	2,693,494	1,263,906
Savings accounts	134,653	101,927
Term deposits	2,049,552	1,158,919
	4,877,699	2,524,752

The 20 largest depositors constitute 38% (2022: 33%%) of total deposits

25. Other liabilities

	2023	2022
Accruals	43,097	6,799
Sundry creditors	790	3,650
Deferred income	1,985	515
Provision for off-balance sheet exposures	29,123	13,734
Others	10,425	10,890
	85,420	35,588

The movement on impairment allowance on off-balance sheet items are as follows:

	2023	2022
At 1 January	13,734	336
Impairment charge	15,389	13,398
At 31 December	29,123	13,734

(All amounts are in thousands of Ghana Cedis)

26. Stated capital

	2023 No. of shares ('000)	2023 Proceeds	2022 No. of shares ('000)	2022 Proceeds
Ordinary shares				
Issued for cash consideration	**5,825,081**	**699,752**	5,825,081	699,752
Issued for consideration other than cash	**1,732,625**	**216,196**	1,732,625	216,196
	7,557,706	**915,948**	7,557,706	915,948

The movement in ordinary shares is as follows:

	2023 No. of shares ('000)	2023 Proceeds	2022 No. of shares ('000)	2022 Proceeds
At 1 January	**5,031,992**	**694,948**	5,031,992	694,948
Issued for cash consideration	**2,525,714**	**221,000**	2,525,714	221,000
	7,557,706	**915,948**	7,557,706	915,948

The Bank's authorised ordinary shares as at 31 December 2023 is 30 billion shares of no-par value (2022: 30 billion ordinary shares of no par value).

The Bank's authorised preference shares as at 31 December 2023 is 5 billion shares of no-par value (2022: 5 billion preference shares of no par value).

In 2022, the Bank issued 2,393,623,885 ordinary shares to Joseph Siaw Agyapong for consideration of GH¢209,442,090, and 132,090,400 ordinary shares to Adelaide Agyapong for consideration of GH¢11,557,910.

There is no liability and no call or instalment unpaid on any share. There is no share in treasury.

27. Contribution towards capital

	2023	2022
At 1 January	**6,000**	100,000
Contributions during the year	**-**	128,105
Transferred on issue of shares	**-**	(221,000)
Transaction costs settled	**(6,000)**	(1,105)
At 31 December	**-**	6,000

(All amounts are in thousands of Ghana Cedis)

28. Statutory reserve

Statutory reserve represents cumulative amounts set aside from annual profits after tax in accordance with the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The movements are included in the statements of changes in equity.

29. Credit risk reserve

Credit risk reserve is the amount set aside from retained earnings to meet the minimum regulatory requirements in respect of allowance for credit losses for loans and advances to customers in accordance with the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The movement in credit risk reserve is included in the statement of changes in equity.

	2023	2022
Impairment provision per Bank of Ghana prudential guidelines	**243,018**	200,555
ECL provision per IFRS	**(107,273)**	(101,553)
At 31 December	**135,745**	99,002

30. Retained earnings

The amount in retained earnings represents profits retained after appropriations which is attributable to shareholders.

31. Earnings per share

Basic and diluted earnings per share is calculated by dividing the net profit attributable to equity holders of the Bank by the weighted average number of ordinary shares in issue during the year.

	2023	2022
Profit/(bss) attributable to equity holders	**150,601**	(127,511)
Number of ordinary shares ('000)	**7,557,706**	7,557,706
Weighted average number of ordinary shares ('000)	**7,557,706**	4,250,367
Basic earnings per share (expressed in Ghana pesewas)	**1.60**	(0.03)
Diluted earnings per share (expressed in Ghana pesewas)	**1.60**	(0.03)

(All amounts are in thousands of Ghana Cedis)

32. Cash used in operations

	2023	2022
Profit/(loss) before tax	**150,601**	(127,511)
Adjustments for:		
Depreciation and amortisation expense	**44,259**	20,920
Net impairment charge/(release)	**50,764**	148,719
Modification loss	**10,538**	-
Gain on disposal of property and equipment	**(1,273)**	(196)
Interest charged on finance lease	**14,259**	11,277
Unrealised exchange loss on lease liability	**-**	335
Lease remeasurements and terminations	**(108)**	(15,054)
Changes in operating assets and liabilities		
Restricted funds	**(235,295)**	(136,586)
Loans and advances to customers	**65,296**	(291,921)
Non-trading assets (maturing over 91 days)	**(618,038)**	(37,637)
Other assets	**(19,976)**	1,810
Non-current assets held-for-sale	**9,978**	-
Deposits from customers	**2,352,947**	1,076,136
Deposits from banks and other financial institutions	**35,594**	51,220
Other liabilities	**34,443**	7,781
Cash used in operations	**1,893,989**	709,293

33. Contingent liabilities

Legal proceedings

There were legal proceedings against the Bank. There are no contingent liabilities as at 31 December 2023 associated with legal actions as professional advice indicates that it is unlikely that any significant loss will arise (2022: Nil).

Capital commitments

At the reporting date, the Bank had no significant capital commitments in respect of authorised and contracted projects.

Off-balance sheet items

The contractual amounts of the Bank's off-balance sheet financial instruments that commit it to extend credit to customers, guarantees and other facilities are as follows:

	2023	2022
Financial guarantees	**1,230,860**	825,095
Letters of credit	**-**	19,828
	1,230,860	844,923

(All amounts are in thousands of Ghana Cedis)

34. Corporate social responsibility

During the year, the Bank committed a total of GH¢702,357 (2022: GH¢76,900) to CSR activities.

35. Related parties

Parties are considered to be related if one party has control or significant influence over the other party or is a member of its Key Management Personnel. The Key Management Personnel included Directors (executive and non-executive), and other members of the Executive Committee.

	2023	2022
Transactions carried out with related parties		
Interest income on loans		
Cosmopolitan Health Insurance Limited	11	-
Ghana Libyan-Arab Holdings Ltd	404	-
Waste Landfills Company Limited	9,903	916
Amaris Terminal	5,857	-
Zoomlion Ghana Limited	17,292	3,103
Dredge Masters Limited	-	85
J.A. Plant Pool (Ghana) Limited.	-	169
	33,467	4,273
Due from related parties		
Nostro balances		
Alwaha Bank	4,359	3,148
BSIC Togo	28,174	18,058
BancoDe Sabadell-Eur	36,318	16,540
Bank Of Beirutl-Usd	26	57
BSIC Cote D'Ivoire	131	92
BSIC Libya (Head Office)	51	-
BSIC Sudan	8,235	5,944
African Export-Import Bank	10,359	5,919
AKTIF Bank	10,144	3,717
UBA New York	2,731	73,635
	100,528	127,110

(All amounts are in thousands of Ghana Cedis)

35. Related parties (continued)

Due from related parties (continued)	2023	2022
Loans and advances		
Dredge Masters Limited	-	5,471
J.A. Plant Pool (Ghana) Limited.	-	6,126
Waste Landfills Company Limited	-	59,866
Ghana Libyan-Arab Holdings Co Ltd	2,841	-
Amaris Terminal Limited	13,751	-
Metropolitan Entertainment Tv Ltd	454	-
Zoomlion Ghana Limited	-	161,660
	17,046	233,123
Due to related parties		
Customer deposits		
Able Consult International Limited	29	-
Able Environmental Cleanliness Technology Limited	9	-
Accra Compost and Recycling Plant	27,018	16,581
Adehyeman Waste and Allied Services Limited	11	-
Adroit Pro Ghana Limited	231	-
Africa Institute of Sanitation and Waste Management	238	-
Agyepong Joseph Siaw	14	14
Advocate Publishing Limited	652	-
Africa Environmental Sanitation Consult Limited	738	-
AH Hotel and Conferences Limited	110	-
Amaris Terminal	453	790
Appointed Time Screen Printing	2,544	3,277
Appointed Time Welfare	132	13
Ashanti Waste & Environmental Services Ltd	3	-
Better Ghana Management Service Ltd	1	-
Budox Construction Company Limited	11,429	-
CA Logistics Limited	137	-
Cosmopolitan Health Insurance Limited	1,848	1,012
Docupro Limited	31,646	-
Dredge Masters Limited	20,247	22,600
Amount carried forward	97,490	44,287

(All amounts are in thousands of Ghana Cedis)

35. Related parties (continued)

Due to related parties (continued)

	2023	2022
Customer deposits (continued)		
Amount brought forward	97,490	44,287
Ecozoil Ltd	689	200
Excellent Builders Construction Co.Ltd	2	1,544
Haven Crystals	86	-
Haven Crystals Travel & Tour Limited	975	-
Integrated Recycling and Compost Plant Limited	74	-
J. A. Plant Pool(Ghana) Limited	70	-
J. A. Plantpool-Weichai	10	-
J.S.A Farms Limited	3	-
Jospong Group of Companies	5,133	848
JSA Logistics Limited	5,153	1,696
Kimpton Trust Limited	25	18
Kumasi Compost and recycling plant limited	13	-
Kingdom Business Link Venture Capital Limited	4	8
Landfill Technologies Limited	3	232
Media T.V. Limited	171	24
Meridian Was te Management Limited	835	754
Millenium Insurance Co. Ltd	22,157	7,715
Nerasol Ghana Limited	304	1,407
S. A. Automobile Ltd	18	827
Sino Africa Development Company Ltd	54	-
Street Naming Ghana Admin Account	5	-
Subah Holding Company Limited	332	-
Subah Infosolutions Ghana Limited	10	-
Tiberias Ghana Limited	61	-
Tropical Waste Management Limited	2	-
UCS Ghana Limited	64	-
Universal Plastic Products & Recycling Ltd	109	-
Vectorpes Company Limited	33	91
Vehicle Assembling Plant Ghana Limited	19	-
BSIC Libya (Head Office)	-	1,945
BSIC Benin	-	429
Amount carried forward	133,904	62,025

(All amounts are in thousands of Ghana Cedis)

35. Related parties (continued)

Due to related parties (continued)	2023	2022
Customer deposits (continued)		
Amount brought forward	**133,904**	62,025
Waste Landfills Company Limited	**40,931**	29,832
Zoil Services Limited	**237,834**	114
Zoomlion-RI & D	**4**	-
Zoomlion Domestic Services	**24**	7
Zoomlion Ghana Limited	**161,273**	15,856
Zoompak Ghana Limited	**61**	-
	574,031	107,834

Transactions with Directors

Emoluments, pensions and other compensation of directors amount to GH¢3.34 million (2022: GH¢3.05 million). Remuneration paid to Non-Executive Directors in the forms of fees, allowances and other related expenses are disclosed in note 13.

36. Events occurring after the reporting period

Events subsequent to the reporting date are reflected in the financial statements only to the extent that they relate to the year under consideration and the effect is material. There were no subsequent events after the reporting date of 31 December 2023.

APPENDIX I

Shareholders' information

	2023		2022	
	No. of shares	% of shares	No. of shares	% of shares
Banque Sahelo-Saharienne Pour L'Investment et Le Commerce (BSIC)	**393,636,043**	**5.21%**	393,636,043	5.21%
Joseph Siaw Agyepong	**5,083,322,629**	**67.26%**	5,083,322,629	67.26%
Cynthia Agyepong	**210,376,114**	**2.78%**	210,376,114	2.78%
Ghana Amalgamated Trust Plc	**1,870,371,080**	**24.75%**	1,870,371,080	24.75%
	7,557,705,866	**100.00%**	7,557,705,866	100.00%

VALUE ADDED STATEMENT

(All amounts are in thousands of Ghana Cedis)

Appendix Ii

	2023	2022
Interest earned and other operating income	**940,923**	409,629
Direct cost of services and other costs	**(585,158)**	(313,039)
Value added by banking services	**355,765**	96,590
Non-Banking income	**6,375**	16,488
Impairments	**(61,301)**	(153,095)
Value added	**300,839**	(40,017)
Distributed as follows:		
To employees		
Directors (without executives)	**(776)**	(931)
Executive directors	**(3,340)**	(2,408)
Other employees	**(101,863)**	(63,235)
	(105,979)	(66,574)
To Government		
Income tax	**(29,408)**	-
To providers of capital		
Dividends to shareholders	**-**	-
To expansion and growth		
Depreciation and amortisation	**(44,259)**	(20,920)
Retained earnings	**121,193**	(127,511)

Appendix Iii

In compliance with sections 39 and 40 of the Risk Management Directive, issued by the Bank of Ghana in November 2022, the Board of Directors declare to the best of their knowledge and having made appropriate enquiries in all material respects that:

a. OmniBSIC Bank Ghana Limited has put in place systems for ensuring compliance with all prudential requirements applicable for the 2023 financial year;

b. The systems and resources that are in place for identifying, measuring, evaluating, controlling, mitigating and reporting material risks, and the Risk Management Framework itself are appropriate to OmniBSIC Bank Ghana Limited and commensurate with the size, business mix and complexity of the Bank;

c. The Risk Management and Internal Control Systems in place are operating effectively and are adequate;

d. OmniBSIC Bank Ghana Limited has a Risk Management Strategy that complies with this Directive, and has also complied with the requirements described in its Risk Management Strategy; and

e. OmniBSIC Bank Ghana Limited is satisfied with the effectiveness of its processes and management information systems.

EMPLOYEE DEVELOPMENT INITIATIVES

Introduction

In 2023, the Bank achieved significant performance in deposit growth, profitability and an enhanced brand visibility. Even though many factors contributed to these positive results, employee development has been one of the key drivers for the growth and success of the Bank.

As part of the Bank's strategic plan to become the employer of choice, the Bank will invest in the continuous learning and development of its employees in order to stay competitive in the ever-evolving financial industry. The Bank will continue to implement strategic initiatives geared towards improving the well-being of its employees.

Following the merger, The Bank has implemented a strategic recruitment program to attract experienced professionals with the expertise needed to fuel our growth. The Bank has also been conscious about the need to develop entry-level staff to fit into all aspects of its business operations.

About 60% of the employees selected in 2023 were fresh graduates from accredited tertiary institutions as per the regulations of Ghana, who have completed the mandatory one-year National Service Program in accordance with the regulations of Ghana.

Recognizing its responsibility to safeguard stakeholder interests, particularly the deposits of our valued customers, OmniBSIC Bank prioritizes a rigorous recruitment process. All potential employees undergo comprehensive background checks, including police clearances, reference checks, preemploment medical examinations, and academic credential verification. This ensures we build a team with the integrity and qualifications necessary to uphold our high standards.

We are dedicated to continuous improvement, and 2023 marked a significant year for employee-centric initiatives. We will continue to refine and expand these programs to further enhance the Bank's overall performance.

Training & Development Initiatives

In 2023, OmniBSIC Bank invested in a comprehensive employee development program to empower our workforce at all levels. New hires benefitted from onboarding programs while existing staff participated on ongoing training to stay current with industry trends, regulations, and technologies. Dedicated leadership development programs further equipped senior managers and executive leadership (EXCO) members. This combined approach equipped employees with the necessary skills and knowledge to excel in their roles, ultimately enhancing the Bank's overall efficiency and performance. The training programs included both in-person and virtual sessions, offering flexbility for all participants.

Recognizing the critical role of efficiency in banking, the Bank prioritized two key training programs at the start of 2023: Fraud Management and Customer Service. These programs specifically targeted frontline staff, direct impacting the customer experience. By equipping our team with the necessary skills and knowledge, we were able to achieve significant improvements in customer service while remaining vigilant in processing transactions. This focus on both efficiency and fraud prevention underscores our commitment to protecting our customers and safeguarding the Bank's reputation.

Furthermore, we instituted a program dubbed 'Product Wednesday' that helped us in building knowledge on many of the products of the Bank especially the Electronic Business (E-Business) products. Through this, our staff were able to build more confidence in the sale of our products to the customers.

The drivers were not left out as the Bank recognized them as an important part of its business operations. In this regard, the Bank organized defensive driving training for all the drivers across the Bank throughout the year, and this resulted in the Bank not recording any major accidents.

In 2023, we begun offshore training programs at some of the top Universities in the world for our Senior Management and Executive Management members of the Bank. Our top executives travelled to the United States, United Kingdom, Singapore and Dubai for their leadership programs. We believe the knowledge/skills and exposure gained through these programs are necessary for the strategic functions they are playing in the Bank.

In addition to formal training programs, the Bank also provides opportunities for employees to attend workshops, seminars, and conferences related to their field. This exposure to external learning opportunities allows employees to network with industry peers and gain new perspectives on best practices in the financial sector.

Management view these initiatives as part of the strategic investment that leads to a more skilled, motivated, and engaged workforce. We therefore undertook these interventions to provide our employees with the necessary tools and opportunities for growth, in order to achieve a competitive edge in the industry. Our employees are well-equipped to meet the evolving needs of our customers.

Compassionate Initiatives

In a display of empathy and care, OmniBSIC Bank reaffirmed its commitment to staff welfare through a thoughtful and proactive initiative. Recognizing the challenges that accompany prolonged illness and absence from work, the Bank has embarked on a journey of compassion by visiting staff who are indisposed and away from work for more than two weeks.

Amidst the demands of the corporate environment, OmniBSIC Bank stands out as a beacon of support, placing the well-being of its employees at the forefront of its priorities. With a genuine desire to extend a helping hand during difficult moments, the Bank has embraced the opportunity to show empathy and compassion when an employee is indisposed or bereaved.

In the year, officials from the Bank visited such employees with gifts items like groceries and fruits and this initiative touched the lives of many employees and their households. This provided a profound sense of belongingness among those who had been unwell. From expressions of gratitude to tears of appreciation, staff members and their families have welcomed the bank's outreach with open arms, recognizing it as a genuine reflection of the organization's caring ethos.

Through meaningful conversations, shared laughter, and moments of shared understanding, bonds of fellowship have been strengthened, reaffirming the notion that at OmniBSIC Bank, employees are more than just colleagues—they are valued members of a larger family.

As the families of the visited staff express their heartfelt appreciation for the bank's compassionate gesture, it becomes evident that the impact extends far beyond the individual recipients. We are proud to indicate that in one of the visits, the spouse of the employee said *"I have never seen a caring company like this before"*

Looking ahead, OmniBSIC Bank remains steadfast in its commitment to fostering a workplace culture rooted in compassion, empathy, and mutual respect. Together, we will continue to champion the values of compassion and community, ensuring employees feels supported, valued, and empowered to thrive.

Better Life Starts Here Health Walk Initiative

OmniBSIC Bank has taken a proactive step towards promoting a culture of health and wellness among its staff, customers, stakeholders and the general public through its highly successful Health Walk series. With a commitment to fostering healthier lifestyles, the Bank organized three health walk events in 2023 under the theme "Better Life Starts Here," drawing participation from over 2,000 enthusiastic individuals made up of employees, customers and the general public. The event, which has become a much-anticipated event within the OmniBSIC community, symbolizes the Bank's dedication to prioritizing the well-being of its stakeholders beyond core business activities.

Our efforts in promoting the well-being of our employees, customers and the public were recognized and we were awarded at the **Ghana Events Awards** as the Best Corporate Health Walk of the Year.

The health walks served as more than just a recreational activity; they were a testament to OmniBSIC Bank's holistic approach to employee engagement and customer relations. By bringing together Management, employees, customers and others in a common pursuit of wellness, the bank not only strengthened internal comradeship but also deepened its connections with the community it serves.

Under the theme of "Better Life Starts Here," participants embraced the opportunity to reconnect with nature, engage in physical activities, and cultivate healthy habits. Through this, we achieved unity in the spirit of wellness, embodying the value of inclusivity. As participants traversed the designated routes, laughter, conversation, and shared determination filled the air, creating an atmosphere of encouragement and support that transcended organizational boundaries.

The OmniBSIC Brand has also gained positive visibility through the media coverage the health walks have attracted. Participants seized the opportunity to forge new connections, exchange stories, and celebrate their shared commitment to leading healthier, more fulfilling lives.

Looking ahead, OmniBSIC Bank remains steadfast in its dedication to promoting a culture of health and wellness, both within its organization and the broader community. The success of the "Better Life Starts Here" health walks serves as a powerful reminder of the transformative impact that simple yet meaningful initiatives can have on individuals and the larger society as a whole.

We will continue to carry forward the spirit of unity, resilience, and vitality that defines the OmniBSIC community. Together, we will continue to champion the pursuit of holistic well-being, empowering each other to embrace healthier lifestyles. We look forward to a more exciting 2024 as we continue the Health Walk series.

Sustainable Banking Principles:

OmniBSIC BANK Commitment Statement

OmniBSIC's Environmental, Social and Governance (ESG) strategy focuses on

a) Our own internal operations

OmniBSIC strengthened its commitment to Environmental, Social, and Governance (ESG) principles by integrating them into various areas of operation. This included employee awareness programs, sustainable procurement practices, a focus on diversity and inclusion in recruitment, and active participation in corporate social responsibility initiatives.

The Bank continued to provide employee awareness of the positive potential impact of reduced paper consumption, emissions reduction and fuel efficiency on the environment. Some of the measures introduced included employee codes plus quotas on printing and carpooling for employees to perform their tasks outside the Bank's premises. Additionally the Bank also started incorporating ESG considerations into vendor-vetting processes.

In 2023, the Bank set up a fully dedicated ESG function as part of our commitment and priority to accelerate our efforts towards achieving sustainability-orientated and as our contribution to the long-term transition to a global "ecological" economy.

The Bank also hired the services of a consultant, Deloitte and Touche, to evaluate the Bank's ESG adoption and integration activities. This is part of our Bank's commitment to enhance environmental management systems for identifying and assessing environmental and social risks and opportunities, and to also build the requisite capacity.

b) Our community

The Bank has set up a Product Development Department to enable it develop products that promote financial inclusion for sustainability oriented target groups such as the underbanked and women.

Demonstrating their commitment to the community, OmniBSIC Bank staff launched a fund raising initiative to support those impacted by the recent Volta River flooding. Their efforts not only raised vital funds, but several staff members also dedicated their time to provide on-site encouragement and support to those affected, helping them rebuild their lives.

The Bank integrates Environmental, Social, and Governance (ESG) principles into its lending activities. This is achieved by encouraging borrowers to comply with established environmental standards and maintaining an exclusion list for activities with significant negative social or environmental impact.

REPOSITIONING OF BANKING OPERATIONS

The Bank's Banking Operations Department is a crucial segment that has witnessed significant improvement in line with the evolving banking trends. These changes include improvements in the service culture, the acquisition of world-class banking applications, the introduction of innovative products and services as well as improvements in internal controls. These interventions have contributed to the enhancement of the operational turnaround time and efficiency of service delivery to customers.

The service culture remains a strong pillar of the Bank's operations; customers are at the center of the Bank's strategic interventions. This is to ensure that they are delighted at every touch point. In order to further entrench this position, the Bank embarked on an aggressive training of all frontline and operations staff. It is therefore not surprising that these capacity building measures are already yielding dividends and have earned the Bank several recognitions and awards.

In the area of systems, the Bank has invested in the acquisition of a world-class Core-Banking Application, which has made processes simpler and faster, leading to improved turnaround times. The new banking application's versatility extends beyond core banking functions. It facilitates seamless integration with third-party providers, enabling us to expand the product and service portfolio offered to our valued customers.

The Trade Services Department has significantly expanded its network of correspondent banks, now covering major global trading hubs and offering settlements in key currencies, including the Chinese Yuan. In addition, the Bank remains the Bank of choice for transactions in CFA to and from Ghana. These correspondent banking arrangements, coupled with the strong financial performance of the Bank, have positioned the Bank to undertake varied kinds of trade transactions. Furthermore, the Credit Administration processes have also been improved due to the acquisition suitable systems and applications which have the capacity of handling the full cycle of the bank's credit transactions.

The Bank's local payments and settlement platforms have also been upgraded to handle payments ranging from all GHIPSS clearing products to money market transactions. The Bank also has a bouquet of remittance products, which includes Moneygram, Western Union, Ria, Unity Link, Transfast, Small World, World Remit and RemitOne.

As a Bank, the strategy to continuously introduce innovative products and services to enhance customer experience remains vital to a financial sustained performance. In addition, the Bank's commitment to invest in staff training and ensure that every staff undergoes at least one training on customer service delivery as well as other job-specific training programs within the year 2023, has contributed to staff capacity building, empowerment and engagement. This empowers the Bank to deliver excellent customer service.

MARKET DEVELOPMENTS IN 2023

Developments in 2023

The Ghanaian economy in 2023 began to witness considerable recovery from the aftermath of the Covid pandemic, the Russia-Ukraine war and domestic challenges of rising inflation, loss of reserves, slowdown in growth, fiscal policy implementation inertia, debt sustainability concerns and a depreciating currency. The implementation of appropriate macroeconomic adjustment policies under the IMF-supported PC-PEG, combined with wide-raging reforms and the comprehensive debt exchange programme, yielded the right outcomes, showing clear signs of economic stabilization and recovery towards the end of the year.

Provisional estimates from the Ghana Statistical Service (GSS) show that the overall real GDP growth rate for the first half of 2023 was 3.2 percent, compared with 2.9 percent for the same period in 2022. The growth of non-oil real GDP was 3.9 percent over the period, the same as in 2022 signaling a strong rebound. Robust growth in the Services and Agriculture sectors were also identified as key drivers of economic growth over the period.

Overall fiscal deficit on commitment basis as of end-August 2023 was 3.0 percent of GDP, outperforming the target of 4.6 percent of GDP. The outturn largely reflects improvement in revenue mobilization and slower execution of expenditure. The corresponding primary balance on commitment basis was a surplus of 0.7 percent of GDP also outperforming the target of a surplus of 0.9 percent of GDP.

On the money market, interest rates broadly trended downward at the short end of the yield curve. The 91-day and 182-day Treasury bill rates decreased to 29.49 percent and 31.70 percent respectively, in December 2023, from 35.48 percent and 36.23 percent respectively, in the corresponding period of 2022. Similarly, the rate on the 364-day instrument decreased to 32.97 percent in December 2023 from 36.06 percent in December 2022.

The interbank weighted average rate remained well-aligned within the policy corridor by the end of 2023.

The weighted average rate increased to 30.19 percent in December 2023 from 25.51 percent in December 2022, in line with the monetary policy rate and supported by adjustments made in the cash reserve ratio. The average lending rates of banks eased marginally to 33.75 percent in December 2023 from 35.58 percent a year earlier. Monetary Policy Rate which was 28 percent at the start of the year ended the year at 30 per cent (+200bps) driven by the elevated inflation outlook.

The foreign exchange market was characterized by sharp volatilities in January 2023. This was however dissipated and the Ghana cedi remained relatively stable throughout the rest of the year. The stability in the foreign exchange market hinged on improved inflows from the IMF Extended Credit Facility first tranche, the domestic gold purchase programme, remittances, and FX purchases from mining and oil companies, amid monetary policy tightening. These were further supported by the release of COCOBOD loan facility in December 2023. Excluding the sharp depreciation of 20.6 percent in January 2023, the Ghana cedi cumulatively depreciated by 7.2 percent against the US dollar between February 2023 and December 2023.

Headline inflation declined sharply by more than 30 percentage points in the course of 2023 from 53.60 percent in January to 23.20 percent in December. Several factors supported the disinflation process, namely, the tightening monetary policy stance throughout 2023, favourable international crude oil prices which led to stable ex-pump prices and transportation costs, and relative stability in the exchange rate.

Gross International Reserves, excluding pledged assets and petroleum funds, reflected a significant build-up of US$2.2 billion at the end of December 2023 to stand at US$3.7 billion. The build-up was driven mainly by the gold for reserves programme and unwinding of short-term liabilities.

However, the stock of Gross International Reserves ended the year at US$5.9 billion, enough to cover 2.7 months of imports of goods and services, from the stock position of US$6.3 billion (2.7 months of import cover) at the end of December 2022.

The banking sector's performance also improved as adverse spillovers from the domestic debt restructuring and macroeconomic challenges receded. As at end 2023, the data from BoG shows that the banking sector remains stable, liquid, and profitable. Profitability improved for the sector from the loss position recorded in the 2022 audited accounts, reflecting sustained increases in net interest income and fees and commissions. The industry's balance sheet was generally strong, underscored by increased assets in December 2023, funded largely by deposits. Key financial soundness indicators remained broadly positive with the Capital Adequacy Ratio (adjusted for reliefs) above the regulatory minimum, while liquidity and profitability ratios were higher in December 2023 compared to the same period last year. The Non-Performing Loan ratio, however, increased in 2023, because of general repayment challenges on the part of borrowers, reflecting the impact of general macroeconomic challenges encountered in 2022.

Outlook 2024

The Ghanaian economy is showing signs of stabilization thanks to the Government's steadfast implementation of its IMF-supported economic program, which aims to restore macroeconomic stability, secure debt sustainability, and lay the foundations for higher and more inclusive growth.

Real GDP is expected to grow at 2.8 percent in 2024. Similarly, real non-oil GDP is expected to grow at 2.1 percent as the economy is still struggling to recover from the recent economic challenges. The government is projecting a budget deficit of 5.9% of GDP for 2024 as against the budgeted 4.6% for 2023, comprising GHS226. 7 billion expenditures and a total revenue and grants of GHS176. 4 billion.

Headline inflation is expected to ease to 15% by end of December 2024, before gradually trending back to within the medium term target range of 8±2 by 2025. There is however the need for strict implementation of the 2024 budget and a tight monetary policy stance to sustain the disinflation process as there are upside risks to the inflation outlook notwithstanding the forecasts.

The Gross International Reserves is also expected to increase to a cover of not less than 3.0 months of imports by the end of December, 2024 with a further increase to a minimum cover of 4.4 months of imports by end-2027.

The exchange rate is expected to remain stable, supported by continued progress with the implementation of the IMF Supported Programme. It is anticipated that an agreement with bilateral creditors will be reached in early 2024 and a deal with commercial creditors by mid-2024, which will improve investor sentiment towards Ghanaian assets, improve capital inflows and provide support to the cedi. The Bank of Ghana's policy directions are further expected to remain focused on increasing external buffers to support the local currency through sustainable means.

The current account balance is expected to be in surplus and will likely remain so in the near term, foreign exchange reserve build-up is expected to be strong and should support a stable exchange rate outlook. The 91-day treasury bill rate which is a key benchmark interest rate indicator is also expected to decline over the year in response to macroeconomic conditions. These conditions are expected to feed into risk sentiments which will improve business and consumer confidence.

The banking sector is also expected to remain stable, despite the elevated credit risks. Banks' liquidity and profitability positions are expected to improve in the aftermath of the domestic debt restructuring. It is expected that early recapitalization and effective risk management by banks will help promote overall banking sector stability and resilience while ensuring effective financial intermediation that strengthens the economic recovery efforts.

2023 CYBERSECURITY HIGHLIGHTS

Securing Our Future, Protecting Your Assets

As we conclude another successful year at OmniBSIC Bank, we are proud to share our accomplishments in bolstering cybersecurity measures to safeguard your assets and maintain the trust you place in us. In 2023, we made significant strides in fortifying our defenses, earning ISO 27001 and PCI DSS certifications, establishing a Security Operations Centre (SOC), and implementing cutting-edge technologies to enhance our security posture.

ISO 27001 and PCI DSS Certifications

Achieving ISO 27001 and PCI DSS certifications signifies our unwavering commitment to maintaining the highest standards of information security and compliance. These certifications validate our adherence to rigorous international standards, ensuring the confidentiality, integrity, and availability of sensitive data, while also demonstrating our dedication to safeguarding your financial information.

Establishment of a Security Operations Center (SOC)

In response to the evolving threat landscape, we established a state-of-the-art Security Operations Centre (SOC) to enhance our proactive monitoring, threat detection, and incident response capabilities. Our SOC serves as a centralized hub for real-time analysis of security alerts and enables rapid response to potential threats, minimizing the impact of security incidents and preserving the integrity of our systems and data.

Implementation of Advanced Security Technologies

To fortify our defenses against emerging cyber threats, we deployed a comprehensive suite of advanced security technologies. By deploying these advanced security technologies, we reinforce our cybersecurity defenses, mitigate emerging threats, and uphold the confidentiality, integrity, and the availability of your financial assets and personal information.

Ongoing Security Awareness Program

Recognizing that cybersecurity is a shared responsibility, we continued to prioritize education and awareness among our employees and customers through our ongoing security awareness program. By promoting best practices, raising awareness about common threats, and providing regular training and resources, we empower our stakeholders to become vigilant guardians of their own security and contribute to our collective defense against cyber threats.

Looking Ahead

As we look ahead to the future, we remain steadfast in our commitment to advancing cybersecurity practices and safeguarding the trust and confidence you place in us. In the face of evolving cyber threats, we will continue to innovate, adapt, and invest in cutting-edge technologies and initiatives to ensure the security, resilience, and integrity of our operations and your financial assets.

At OmniBSIC Bank, your security is our top priority. Thank you for your continued trust and partnership as we navigate the ever-changing landscape of cybersecurity together.

STRENGTHENING IT INFRASTRUCTURE

In 2023, OmniBSIC Bank made significant strides in improving its IT infrastructure by implementing its Technology Transformation strategy. Despite the merger of OmniBank and Sahel Sahara Bank, the new entity did not undergo substantial infrastructure changes in its initial two years. As a result, OmniBSIC continued to operate using the existing IT infrastructure from both banks.

Recognizing the need for modernization, OmniBSIC Bank undertook a major IT infrastructure upgrade in 2023. This initiative addressed a critical issue: nearly 83% of the Bank's IT equipment was obsolete. Upgrading this equipment significantly improved cybersecurity, reduced customer service delivery times, and provided a better user experience for our staff.

A key project in 2023 was the complete overhaul of our core network infrastructure. This resulted in significant boost to network performance across the entire bank. The upgraded network incorporates cutting-edge equipment, redundant systems for enhanced reliability, and the capacity to handle anticipated growth in devices and network traffic over the next 3-5 years.

As part of the strategy to strengthen IT infrastructure, we subsequently increased the Wide Area Network(WAN) bandwidth for all the branches. A combination of these activities on the bank's network gave us significant gains in respect of end-of-day (EOD) processing, with EOD processing time reducing from 7 hours to about 2 hours. Again, our daily backup time was also significantly reduced from about 3 hours to 30 minutes. All these gave us a total network improvement of about 40%.

The Bank's Disaster Recovery (DR) site was also relocated to the Main Data Centre at Appolonia City. The Main Data Centre has one of the leading co-located data centres in the country, providing efficient and seamless connectivity between our Head Office and branches to the DR site.

This relocation allowed us to deploy critical banking services at the DR site and establish real-time data replication between the production Data Centre at Airport City and the Appolonia City facility.

In 2023, OmniBSIC Bank implemented a cloud-base Microsoft Office suite. This upgrade empowered employees with improved accessibility to information, fostering secure information sharing, enhanced collaboration, and more effevtive communication.

Demonstrating its commitment to robust security, OmniBSIC Bank successfully achieved ISO 27001 certification and PCI DSS compliance in 2023. These internationally recognized standards validate our adherence to best practices in information security and cardholder data protection, assuring stakeholders of our unwavering commitment to safeguarding their information.

To safeguard our devices and data, particularly when outside the Bank's network, we implemented a robust endpoint security solution in 2023. This comprehensive approach provides us with full visibility into device activity, enabling us to detect and respond to potential threats promptly and minimize the impact of a cyberattack.

The Bank's IT infrastructure was further strengthened during the period due to the huge investments made during the year 2023, which resulted in the Bank's IT infrastructure maturity level being higher than any other year since the Bank was formed.

Since IT infrastructure is managed by people, the staff of the IT department had the opportunity to be taken through various technical and non-technical training programs. Additionally, Executive management also approved for the Bank to subscribe to one of the internationally accredited IT training portals in the world. Furthermore, on training, the leadership of IT had the privilege to also attend an Executive Excellence training program in "Achieving Leadership Excellence" at the prestigious London School of Economics (LSE), UK.

OmniBSIC BANK CUSTOMER EXPERIENCE EVOLUTION

With a clear vision to be the leader in customer service delivery and value creation for stakeholders, OmniBSIC Bank has strategically focused on building a first-class customer service experience since its inception.

Following its merger, OmniBSIC Bank, prioritized several key initiatives to ensure a smooth transition and foster a unified culture of service excellence. These initiatives included strategic cultural integration, staff training, technological and structural improvements, customer-centric policies, and a commitment to continuous process improvement.

The Bank also invested in a robust Core Banking Application to meet customers' evolving needs by providing swift and convenient banking solutions across all touch points, ensuring superior service delivery.

To ensure all staff adhere to the Bank's standards for exceptional customer service, the Bank proceeded to develop and implement robust service monitoring mechanisms which has resulted in all employees aligning with the vision of the Bank.

These initiatives has set the Bank apart from competition which have resonated positively with our customers. The Bank's Net Promoter Score rating during the period under review is +50%, well above the benchmark of 50% whilst the Customer Satisfaction Score rating stands at 97%.

It is therefore not surprising that the Bank earned 5-Star ratings in 4 categories from the Customer Satisfaction Index by the Chartered Institute of Marketing Ghana (CIMG) Awards 2023 as follows:

- 5 Stars in Customer Satisfaction - Consumer Banking
- 5 Stars in Customer Satisfaction - Business Banking
- 5 Stars in Service Quality - Business Banking
- 5 Stars in Service Quality

The Bank maintains a dedicated 24-hour Contact Centre staffed by a team of highly qualified professionals who provide prompt resolution to customer inquiries and complaints. This service leverages the latest technological advancements.

Despite these achievements, the Bank remains dedicated to continuously enhancing the customer experience. We achieve this by deploying technology to improve access to our products and services, while also orienting both new and existing staff to our unwavering commitment to exceptional service.

2023 IN PICTURES

Best Corporate Healthwalk (Ghana Events Awards)

Personality of the Year, Private Sector (Ghana CEO Awards)

COO of the Year, Private Sector (Ghana CEO Awards)

Healthwalk

Healthwalk

Healthwalk

GHACHIFA Partnership

GHACHIFA

Support to Lower Volta

GHACHIFA

Transformational Leader

Grandeur night (End of Year Dinner and Awards Night)

Grandprix (End of Year Dinner and Awards Night for Drivers and Dispatch Riders)

OUR BRANCHES AND LOCATIONS

HEAD OFFICE

Greater Accra
Atlantic Tower, Airport City
GL-126-3809

ACCRA BRANCHES

Abelemkpe Branch

Greater Accra
Ghana Baptist Convention House, Near Abelemkpe Traffic Light, Accra
GA-090-5147

Abossey Okai Branch

Greater Accra
#28/1 Somuah & Sons Building, Old Fadama Road, Abossey-okai
GA 217-9246

Accra Central Branch

Greater Accra
D 854/3 Asafoatse Nettey Road, Accra
Opposite Gen. Post Office NIA, Accra.
GA-183-8172

Achimota Branch

Greater Accra
Plot No 9 Block 1, Nsawam Road, ABC Junction, Achimota.
GE-370-4763

Adabraka Branch

Greater Accra
47 Kwame Nkrumah Avenue, Adabraka
GR-102-4785

Airport Branch

Greater Accra
Atlantic Tower, Airport City
GL-126-3809

Tema East Branch

Greater Accra
Opposite Ashaiman SHS.
GB-002-6348

Ashaley Botwe Branch

Greater Accra
Opposite Goil Filling Station, School Boy Junction, Ashaley Botwe Nmai Dzorn Rd.
GD-143-8712

Atomic Junction Branch

Greater Accra
Atlantic Mall, Atomic Junction
GM-033-2653

OUR BRANCHES AND LOCATIONS

Dansoman Branch

Greater Accra
General Acheampong High Street, Opposite Kingdom Hall Of Jehovah's Witnesses Near Dansoman Market.
GA-541-0908

Dome Branch

Greater Accra
Opposite Engen Filling Station, Dome Market.
GE-353-9002

East Legon Branch

Greater Accra
J-Plaza Building (Formerly Randsford University), East Legon.
GD-231-1022

Kokomlemle Branch

Greater Accra
Near Joy FM, Kokomlemle, Accra. Hse No. 28 Faanofa Street.
GA-099-4730

Labone Branch

Greater Accra
49 Ndabaningisithole Rd, Labone - Accra Near Bistro 22 Restaurant
GL- 026- 3611

Madina Estate

Greater Accra
Adj, Goil Filling , St Action School Road.
GM-008-436

Nima Branch

Greater Accra
Nima Highway, Adj Marwarko.
GA-021-4965

North Industrial Area Branch

Greater Accra
Main Industrial Area Road, Adjacent Latex Foam
GA-172-4224

Odorkor Branch

Greater Accra
Opposite Kpogas Furniture, Winneba Road Odorkor - Accra
GA-501-0510

Osu Oxford Street Branch

Greater Accra
No. 39 Osu Oxford Street, Accra.
GA-056-5734

Spintex Basket Junction Branch

Greater Accra
Basket Junction, Opposite Goil Filling Station, Spintex Road, Accra.
GT-367-4419

Spintex Manet Junction Branch

Greater Accra
59 A Spintex Road, Opposite Metalex, Manet Junction.
GZ-193-9496

Tema Community 1 Branch

Greater Accra
Meridian Enclave Community 1
GT-021-4692

Tema Community 11 Branch

Greater Accra
Tema Community 11, Same Premises With Top-up Pharmacy.
GT-078-8548

Tema Harbour Branch

Greater Accra
Tema Harbour Roundabout, Opposite Ghacem Batch Plant.
GT-026-1996

Weija Branch

Greater Accra
Pacaro House, Same Building With Dental Clinic And Directly Opposite London Bar, Weija
GS-0130-4690

OUTSTATION BRANCHES

Adum Addo Kuffour Branch
Ashanti
OTB 315, Addo Kuffour Clinic Building.
AK-019-8422

Adum Prempeh II Street Branch
Ashanti
Kumasi Adum, Prempeh The Second Street, Opposite Topman Shoes, Ground Floor Of Alpha House.
AK 038-9842

Ahodwo Branch
Ashanti
Atinga Junction, Ahodwo
AK-432-5553

Amakom Branch
Ashanti
City Style Building
AK-069-9951

Kasoa Main Branch
Central
Opposite Nsaniyaa Secondary School, Bawjiase Road
CX-021-7736

Kejetia Branch
Ashanti
Adehye Market Opposite The Kumasi Zoo
AK-016-1107

Koforidua Branch
Eastern
Ground Floor, Behind Municipal Council House No. Og/b31 Oquaa,
EN-010-3574

Kronum Branch
Ashanti
Near Kronum Market, Adjacent CCC Church
AK-337-5243

Manhyia Branch
Ashanti
#Ko 56/57, Apedwahene House, Manhyia
AK-006-6838

Sunyani Branch
Bono
Ground Floor Of Sam Bennet Building Opposite The Sunyani Sports Stadium
BS-0007-3642

Takoradi Harbour Branch
Western
Harbour Business Area, Opposite Zen Filling Station
WS-406-6108

Takoradi Market Circle Branch
Western
Takoradi Market Circle
WS-245-0693

Tamale Branch
Northern
Aboabo, North Nyohini Zogbeli Road, Opposite Evergreen Forest.
NT-0000-8055

Tarkwa
Western
Plot No. 7A, Tarkwa, Near The Old DVLA Office, Hospital Road
WT-0000-9202

Techiman Branch
Bono East
Opposite Techiman Market, Techiman Tamale Main Road
BT-0003-7000

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