CONSOLIDATED BANK GHANA LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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CORPORATE INFORMATION
For the year ended 31 December 2024

Board of directors:	Welbeck Abra-Appiah	Chairman (Retired November 20, 2024)
	Daniel Wilson Addo	Managing Director
	Maureen Abla Amematekpor	Member
	Gloria Adjoa Owusu	Member
	Philip Osafo-Kwaako	Member (Resigned July 15, 2024)
	Afua Oforiwaa Djimi	Member (Resigned February 29, 2024)
	Yaw Asamoah	Chairman (Appointed November 21, 2024)
	Edward Prince Amoatia Younge	Member
	Dr. Bright Yelviel Bakye Baligi	Member
	Prof. Kwaku Appiah-Adu	Member

Secretary:
Lawfields Consulting
No. 799/3, 5th Crescent
Asylum Down, Accra (off Ring Road)
PMB CT 244, Accra

Auditor:
Deloitte & Touche
Chartered Accountants
The Deloitte Place
Plot No. 71
Off George Walker Bush Highway
North Dzorwulu
P.O. Box GP 453
Accra -Ghana

Solicitors:
Lawfields Consulting
No. 799/3, 5th Crescent
Asylum Down, Accra (off Ring Road)
PMB CT 244, Accra

Registered office:
1st Floor, Manet Tower 3
Airport City, Accra
P. O. Box PMB CT 363
Cantonments, Accra

REPORT OF THE DIRECTORS
For the year ended 31 December 2024

The Directors in submitting to the shareholders the financial statements of the Bank for the year ended 31 December 2024 report as follows:

Directors' Responsibility Statement

The Bank's Directors are responsible for the preparation of the financial statements that give a true and fair view of Consolidated Bank Ghana LTD's financial position at 31 December 2024, and of the profit or loss and cash flows for the period then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board (IASB), and in the manner required by the Companies Act, 2019 (Act 992), and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). In addition, the Directors are responsible for the preparation of this Directors' report.

The Directors are also responsible 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, and for maintaining adequate accounting records and an effective system of risk management.

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

Financial results and dividend

The financial results of the Bank for the year ended 31 December 2024 are set out in the accompanying financial statements, highlights of which are as follows:

	2024	2023
	GH¢'000	*GH¢'000*
Profit/(loss) before taxation is	**160,058**	(712,885)
From which is (deducted)/credited tax and levies of	**(71,340)**	171,747
giving a profit/(loss) after taxation for the year of	**88,719**	(541,138)
less net transfer to statutory reserve fund and other reserves of	**(44,359)**	-
leaving a balance of	**44,360**	(541,138)
to which is added a balance brought forward on retained earnings of	**(1,975,620)**	(1,434,482)
leaving a balance on retained earnings of	**(1,931,260)**	(1,975,620)

Based on the financial results of the Bank, GH¢44,359,252 (2023: Nil) was transferred to the statutory reserve fund in accordance with Section 34(1) (b) of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The cumulative balance on the statutory reserve fund was GH¢138,174,110 (2023: GH¢ 93,814,662) at the year end.

The Directors do not recommend the payment of a dividend (2023: Nil).

Particulars of entries in the Interests Register during the financial year

No Director had any interest in contracts and proposed contracts with the Bank during the year under review, hence there were no entries recorded in the Interests Register as required by 194(6), 195(1)(a) and 196 of the Companies Act, 2019 (Act 992).

REPORT OF THE DIRECTORS (continued)

Nature of Business

The Bank is authorised by Bank of Ghana to carry on the business of universal banking. There was no change in the nature of business of the Bank during the year.

Shareholder

The Bank is fully owned by the Ministry of Finance.

Corporate Social Responsibilities

The Bank spent a total of GH¢9,207,493 (2023: GH¢1,897,698) on corporate social responsibilities during the year. These are mainly in the form of sponsorships in the areas of agriculture, education, health, security and social partnerships.

Audit fee payable

Audit fee for the year ended 31 December 2024 was GH¢1,036,000 (2023: PwC GH¢ 1,085,000)

Capacity of directors

The Bank ensures that only fit and proper persons are appointed to the Board after obtaining the necessary approval from the regulator, Bank of Ghana. Relevant training and capacity building programs, facilitated by the Ghana Banking College and the Bank of Ghana, are put in place to enable the Directors discharge their duties. All the Directors have been certified for attending such training during the year.

Directors

The names of the Directors who served during the year are provided on page 1. No Director had any interest at any time during the year, in any contract of significance, other than a service contract with the Bank. No Directors had interest in the shares of the Bank.

Auditor

In accordance with Section 139(11) of the Companies Act 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) which stipulates that an auditor shall hold office for a term of not more than six years subject to a cooling-off period, the previous auditor, PricewaterhouseCoopers, resigned from office on the completion of 2023 audit having served 6 years. The Bank appointed Deloitte and Touche as replacement on May 15, 2024.

Approval of the financial statements

The financial statements of the Bank were approved by the Board of Directors on 20 March 2025 and were signed on their behalf by:

…………………………………………………………	…………………………………………………………
Yaw Asamoah (Chairman)	**Daniel Wilson Addo (Managing Director)**

Commitment to Corporate Governance

The Bank operates in accordance with the principles and practices of corporate governance. These principles and practices are guided by the Basel Committee standards on corporate governance which constitutes the best of international practice in this area.

The key guiding principles of the Bank's governance practices are:

i. Good corporate governance enhances shareholder value;

ii. The respective roles of shareholders, Boards of Directors and management in the governance architecture should be clearly defined; and

iii. The Board of Directors should have majority membership of independent Directors, defined broadly as Directors who are not employed by the Bank, or who are not affiliated with organisations with significant financial dealings with the Bank.

These principles have been articulated in several corporate documents, including the Bank's regulations, corporate governance charter, rules of procedures for Boards, code of conduct for Directors and rules of business ethics for staff.

Corporate Governance Directives, 2018

The Board confirms awareness of its responsibilities as persons charged with governance and certifies that the Bank is generally compliant with the Corporate Governance Directive (CGD), 2018 issued by Bank of Ghana which came into effective in March 2019. The Corporate Governance processes of the Bank are effective and meet its purposes.

In accordance with Section 47 and 48 of the Corporate Governance Directive, the independent external evaluation of the Board was done in 2023. The scope of the engagement includes roles and responsibilities of the board, competencies of the members, structure and composition of the board and its sub-committees, processes and relationships, and other key governance issues.

The Board of Directors

The Board is responsible for setting the Bank's strategic direction, leading and controlling the institution and monitoring activities of the executive management.

As of 31 December 2024, the Board of Directors of the Bank consisted of one Executive Director and six (6) independent non-executive Directors. The Board is fully constituted of Ghanaian membership and have wide experience and in-depth knowledge in management, industry, financial and capital markets which enables them to make informed decisions and valuable contributions to the Bank's progress. The Board met eight times during the year.

Independent Non-Executive Directors

The Non-Executive Directors are independent and free of any business relationship or other circumstances that could materially interfere with the exercise of objective or independent judgement. In determining their independence, the Board has considered the criteria set out in the Bank of Ghana Corporate Governance Directive, 2022 ("the Directive"); and the contribution and conduct of Directors at Board meetings, including how they demonstrate independent judgement. Directors are required to declare, on an ongoing basis, any interests that may give rise to a potential or perceived conflict of interest.

The Board is made aware of the other commitments of the Individual Non-Executive Directors and is satisfied that largely, these do not conflict with their duties and time commitments as Directors of the Company.

Independent Non-Executive Directors (continued)

As of 31 December 2024, Independent Non-Executive Directors comprise 86 per cent of the Board's composition, well within the regulatory requirement of at least 30 per cent. Independent Non-executive Directors are appointed in line with the Company's registered constitution, for an initial term of three years with an option for renewal for a further two terms, subject to affirmation of one's independence after the first two terms, and shareholder's approval.

The Board Calendar (Activities for 2024)

There were eight (8) Board meetings where the Board deliberated on matters including the following:

i. Review and approval of expenditure
ii. Review and approval of the 2023 audited financial statements and 2024 quarterly unaudited financial statements for publication.
iii. Bank's capital structure
iv. Approvals of various policies.
v. A strategy review and budget session to approve the 2025 budget.
vi. Annual Board Certification
vii. Training on Data Privacy
viii. Selected Training programmes for individual Directors based on their specific needs.
ix. Approval of Risk plan, Ethics and Compliance plan and Audit plan for 2025.

Remuneration Policy

The Board is responsible for the design and operation of the compensation structure and regularly reviews its effectiveness to ensure its consistency with prudent risk taking. The Bank has a transparent and comprehensive remuneration system underpinned by industry benchmarked approach to compensate staff, executives and the Board. This sound remuneration strategies and practices reflect and promote good corporate governance and sustainable long-term value creation for staff, Board and shareholder. A key success factor for the Bank is its ability to attract, retain and motivate the talent it requires to achieve its strategic and operational objectives. The approach adopted ensures that employees are rewarded for the progress made in the execution of the Bank's strategy and appropriately incentivised to deliver strong performance over the long term whilst avoiding excessive and unnecessary risk taking.

The Bank's Remuneration Policy covers all employees, including Senior Management of the Bank. Employees are also covered by collective bargaining agreements or subject to labour union negotiations and are bound by the terms and conditions of such agreements. The determination of the remuneration of the Directors is a subject of Shareholder's approval.

Non-executive directors receive fixed fees for service on the Board and committees. Non-executive directors do not receive short term incentives, nor do they participate in any long-term incentive schemes. Board members' remuneration is periodically reviewed by the Governance and Nomination Committee and recommended by the Board for shareholders' consideration and approval at the annual general meeting of the Bank.

The remuneration of executive management is reviewed by the Governance and Nomination Committee and approved by the Board. The components of their package are as follows:

- Guaranteed remuneration based on their market value and role
- Annual performance-based bonus used to incentivise the achievement of Bank's objectives; and
- Pension which provides a competitive postretirement benefit in accordance with Bank policy applicable to all employees.

Related Party Transactions

The Board ensures that transactions with related parties are reviewed to assess risk and are subject to appropriate restrictions by requiring that such transactions are conducted on non-preferential terms basis and applicable legislation and other requirements exposure limits for loans to related parties and staff.

Conflicts of Interest

The Bank has a comprehensive policy on Conflicts of Interest. Staff as well as Directors are required to abide by it. Directors are made aware of their obligation to avoid conflicts of interest at the induction and through ongoing training. There is a robust process which requires Directors to disclose outside business interest before they are entered. The provisions on conflict of interest are embodied in the Directors' letters of appointment and Induction Handbook and is also a legal requirement under the Companies Act 2019, Act 992. A conflicts of interest register is in place to keep record of any conflicts which are disclosed.

Succession Planning

The Bank has in place a succession plan for the Directors and key management personnel which is updated regularly and a plan to maintain a balance of critical skills on the Board of Directors and within the Bank.

Internal control systems

The Board of Directors have ultimate responsibility for the management of the Bank's internal control systems and annually reviews their effectiveness, including a review of financial, operational, compliance and risk management controls. The implementation and maintenance of the risk management and internal control systems are the responsibility of the executive directors and other senior management. The Board exercises oversight management through its Audit and Risk Committees. The Board reviews and approves the Bank's Internal Control policy framework which stipulates the internal control functions in conformity with regulatory directives and standard guiding principles. The Bank's Internal Control policy provides a system of periodic inspection and review of controls in all business areas across the Bank to ensure the presence of relevant controls to ensure strict compliance. Control deficiencies, when established are remedied and reports are sent to the Board. Follow-ups are done to ensure remediated actions are working as expected. The systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and to provide reasonable, but not absolute, assurance against material misstatement or loss. The directors have reviewed the effectiveness of the internal control systems, including controls related to financial, operational, and reputational risks identified by the Bank as at the reporting date and no significant failings or weaknesses were identified during this review. The Board of Directors have overall responsibility for establishment and oversight of the Fraud Policy. The Bank has no appetite for fraud perpetrated by its employees, shareholders, directors, customers, consultants, vendors, contractors and/ or any other parties with a business relationship. The Bank is committed to preventing, detecting, reporting fraud and cooperating with other organizations to reduce opportunities for fraud. Fraud risk is assessed regularly as part of the business's risk management process and at the design stage of new systems and processes. Cost-effective preventive and detective controls are introduced where appropriate to mitigate the risk of fraud in business processes and activities.

Internal Audit

The Internal Audit function monitors compliance with policies and standards and the effectiveness of internal control structures of the Bank through its programme of business audits. It provides an independent assessment and assurance on the reliability, adequacy, and effectiveness of the Bank's system of internal controls, risk management procedures, governance framework and processes. Its role is to provide independent and objective assurance to the Board. Internal Audit (IA) is structured to be independent of management, with a Chief Internal Auditor, reporting directly to the Audit Committee Chairman. The Audit Committee holds regular discussions with the Auditor in the absence of management. The Internal Auditor has free and unrestricted access to all the Bank's information, people, property and records to discharge audit and assurance role. IA's responsibilities include among others:

- developing a risk-based annual internal audit plan for the Audit Committee's approval and adjusting that plan where necessary to reflect current and emerging risks.
- executing the audit plan in line with approved audit methodologies and reporting the results of its work to the Audit Committee and Management, where appropriate.
- escalating to management and the Audit Committee as appropriate, instances where IA believes that management has accepted a level of risk more than the business area's approved risk appetite. The Internal Auditor also monitors and reports on progress in addressing significant control and risk issues.

Management Reporting

The Bank's business is conducted within a developed control framework, underpinned by policy statements, written procedures and control manuals. This ensures there are written policies and procedures to identify and manage the Principal Risk types. The performance of the Bank's business is reported by Management to the Board on a quarterly basis. However, material issues are escalated to the Board as and when they occur. Financial information is prepared using appropriate accounting policies, which are applied consistently.

Annual Board Certification for Directors

National Banking College accredited by the Bank of Ghana as Consultant for the certification of Bank Directors took the Board through its Annual Certification Programme in 2024. The Board of Consolidated Bank Ghana was duly certified in accordance with section 12(a) of Bank of Ghana Corporate Governance Directive 2018 that:

i. The Board had independently assessed and documented its Corporate Governance process and its effect and has successfully achieved it objectives.
ii. The Directors were aware of the responsibilities to the Bank as persons charged with governance.
iii. Directors have obtained certification from National Banking College having participated in a corporate governance programme and have completed a programme on directors' responsibilities.

Board Evaluation Process

The Corporate Governance Directive requires that banks should undertake yearly board evaluations. Section 47 of the Directive requires an evaluation of the Board and its individual Directors every two years with external facilitation. In 2023, the Bank engaged the services of Ernst and Young Ghana to carry out the evaluation. The areas below were used to assess the Board's activities during the period under review:

i. Board policy and procedures.
ii. Board renewal and succession.
iii. Board capability, performance and effectiveness.
iv. Board structure and operations.
v. Strategy, growth and innovation.
vi. Operational improvement and sustainability.
vii. Risk appetite and oversight; and
viii. Effective reporting and stakeholder management.

Board Evaluation Process (continued)

In carrying out the Board evaluation several documents were reviewed including Board Packs, Board Committee Minutes, Board Minutes, Regulatory Returns, Reports and Policies. The reviews were aimed at gaining an understanding of the current practices relating to the Bank's corporate governance process, existing standards and other supporting information. The results were analysed to determine compliance with the applicable local regulation (BoG Corporate Governance Directive) as well as areas of improvement and provided recommendations for consideration by the Board. The areas of improvement included streamlining the tenures of committees to BoG Corporate Governance Directive, improving diversity as guided by Ghana's Affirmative Action Policy of 1998 and timely conduct of in-house performance evaluation of the Board.

Based on the data collected, the board assessment showed that overall, the Board Generally Conforms with the provisions of the Bank of Ghana's Corporate Governance Directive 2018.

Based on the data collected, the board assessment showed that overall, the Board Generally Conforms with the provisions of the Bank of Ghana's Corporate Governance Directive 2018. The key findings, recommendations and actions taken on them are summarised in the table below:

S/N	Area of Improvement/Action plan	Status	Remarks
1	Maintain a register for documenting and managing conflict of interest situations.	Completed	Conflict of interest register is in place
2	Develop and approve a succession plan for key management positions.	Completed	Succession plan has been sent to Bank of Ghana
3	Develop a training plan based on a board training needs assessment.	Completed	All board members have attended relevant training
4	Ensure a fair balance of power and authority among the executive and non-executive directors to prevent any individual or group from exerting undue influence over the Board's decision-making process.	Not started	The shareholder has been notified for consideration in subsequent appointments. Currently the board consists of one Executive director.
5	Discuss with shareholder and develop a diversity policy in line with Ghana's Affirmative Action Policy, 1998 and ensure compliance.	Completed	This has been discussed and a policy put in place.
6	Ensure a director or key management personnel, take an oath of confidentiality in the form set out in Part I of the Second Schedule	Completed	Directors and key management Personnel have taken the oath
7	Conduct Fit and proper assessment prior to the appointment of a Director or Key management personnel and an on-going basis at least annually	Completed	The assessment has been done for all Directors and Key management personnel

The full report of the evaluation was filed at Bank of Ghana in August 2023.

Appointment and induction of new Directors and key Management Personnel

All non-executive directors are provided with a letter of appointment setting out the terms of their engagement. A third of the directors are required to retire at each Annual General Meeting and may offer themselves for re-election in accordance with the Companies Act 2019 (Act 992). If recommended by the directors, the Board then proposes their re-election to shareholders. The term of non-executive directors is governed by the Bank of Ghana directive on corporate governance, which limit the maximum period for non-executive director to nine years.

The Bank policy on the appointment and re-election of eligible directors remains in strict adherence to the Bank of Ghana's Fit and Proper Person directives and, under sections 72(1) and 88(1) of the Company's Constitution.
On its part, the Board is authorised under the Companies Act, 2019 (Act 992) to either:

- Appoint a recommended director to fill a casual vacancy on the Board (where such a vacancy exists); or
- Submit a recommended candidate for appointment by an ordinary resolution of the shareholders at either the annual general meeting (or other general meeting of the shareholders convened for that purpose).

Following the appointment, a comprehensive induction programme covering the Bank's financial, strategic, operational and risk management overviews is carried out. Appointees are provided with an information pack including governance policies and business information, and presentations are made on the Bank's business functions and activities by key members of the executive and senior management teams.

In 2024, there were no new appointments or inductions to the Board of Directors. However, one key management personnel—the Director for credit underwent a comprehensive induction program focused on governance and business information.

During the year under review, training sessions were organised for the directors to build their capacity on the following:

- Mastery of Treasury & Cash Management in Public organizations
- Disruptive Innovation Strategies for a Successful Enterprise
- Effective Audit Committee training
- Breaking Barriers & building Legacies
- ESG, Green Public Financial Management & Climate Finance
- Business planning and growth strategy
- Change Leadership in the age of AI
- Executive Leadership Program
- Executive Catalyst Sprint for the board

Appointments, retirement and resignations

Below are the details of appointments and resignations of Key Management Staff during the reporting period;

SN	Name	Designation	Appointment	Retirement date	Resignation
1	Welbeck Abra-Appiah	Chairman	-	November 20, 2024	-
2	Yaw Asamoah	Chairman	November 21, 2024	-	-
3	Philip Osafo-Kwaako	Independent Non-Executive Director	-	-	July 15, 2024
4	Afua Oforiwaa Djimi	Independent Non-Executive Director	-	-	February 29, 2024
5	Gerald Quartey	Director, Credit	October 4, 2024	-	-
6	John Kwame Mensah Zigah	Director, Global Market	-	-	January 31, 2025

Board Committees

The Board has delegated various aspects of its work to its Audit; Technology, Cyber & Information Security; and Risk, Credit and Governance and Nomination Committees in order to strengthen its corporate governance and bring it in line with international best practice with the following membership and functions:

Audit Committee

Edward Prince Amoatia Younge	Chairman
Dr. Bright Yelviel Bakye Baligi	Member
Gloria Adjoa Owusu	Member

The Audit Committee is made up of non-executive directors and performs the following functions among others:

- Oversee the quality, adequacy and effectiveness of Internal Controls and compliance to legal and regulatory matters.
- Review with the Internal Auditor and Management the scope, plan and processes of audits to ensure completeness of coverage and effective use of resources and monitor progress against the plan.
- Review and discuss Internal Audit Reports and findings with particular attention to "High Risk" issues, management responses, and the progress of related corrective action plans.
- Review the financial, operational, and business performance of the bank and make recommendations to the board on ways to improve the performance of the Bank.
- Review the Bank's capital structure and annual capital plan, including its capital adequacy and capital planning process, stress-testing and related activities, capital raising, capital distributions, as well as recommend to the full Board approval of our annual capital plan submission and capital management policy

Board Audit Committee (continued)

- Review the annual budget and make recommendation for full Board approval.
- Review compliance with Bank's policies.
- Recommend the appointment, compensation, and oversight of the Bank's external Auditor; and
- Review the external auditors report.

Highlights for 2024

In 2024, the Committee discharged its mandate as set out in its Terms of Reference as follows:

- Closely monitored audit findings and the corresponding actions taken by external and internal auditors.
- Received updates to findings raised in various examinations conducted by the Bank of Ghana.
- Reviewed and recommended to the Board to approve for publication the financial statements of the Company for each quarter and for the 2023 financial year.
- Satisfied itself that the Company's accounting policies and practices were appropriate.
- Monitored the integrity of the published financial statements and reviewed significant financial judgments and accounting issues.
- Reviewed and approved the appointment of a new external auditor as recommended by management.
- Reviewed and approved recommendation for the external assessment of the Internal Audit division in line with the International Professional Practicing Framework (IPPF) of the Institute of Internal Auditors (IIA).
- Reviewed and discussed Deloitte and Touche's audit plan.
- Reviewed and approved the Internal Audit's 2024 Audit Plan.
- Reviewed and approved the Internal Audit Charter.

Board Governance and Nomination Committee

Yaw Asamoah	Chairman
Prof. Kwaku Appiah-Adu	Member
Philip Osafo-Kwaako	Member (Resigned July 15, 2024)
Maureen Abla Amematekpor	Member

The Board Governance and Nomination Committee's main responsibility includes proposing and making recommendations on human resource issues and matters relating to terms and appointment of senior management and staff of the Bank. The Committee assist the Board in shaping and monitoring the corporate governance policies and practices of the Bank and evaluating compliance therewith. The Board has adopted standard evaluation tools to help assess annually the performance of the Board, its committees and individual members.

Highlights for 2024

- The Committee reviewed and approved the revised Governance Charters
- The Committee received an update from People and Transformation division on 2023 performance management report, 2024 succession plan and employee perception survey.
- The Committee received and approved policies including Fit and Proper Persons, Corporate Social Responsibility, and corporate travel policy.
- Committee received updates on culture transformation project.
- Committee reviewed and approved the Board code of ethics Policy.

Board Technology, Cyber & Information Security Committee

Prof. Kwaku Appiah-Adu	Chairman
Yaw Asamoah	Member
Afua Oforiwaa Djimi	Member (Resigned February 29, 2024)

The Committee have the responsibility for setting and periodically reviewing the overall cyber and information security strategy of the Bank which shall govern the parameters within which business is to be conducted. To facilitate this process, the Board has established the Board Technology, Cyber and Information Security Committee (the "Committee"), which has the mandate to:

- Assist the Board to discharge its governance and oversight responsibilities pursuant to the BoG's Cyber and Information Security Directive and overseeing the implementation and effectiveness of the Bank's ICT and Information security risk management framework.
- Set and periodically review the overall information security risk strategy of the Bank which shall govern the parameters within which business is to be conducted.
- Ensure that technology strategies align with the overall business strategy and goals of the Bank.

Highlights for 2024

The Committee held four meetings during the year and undertook the following actions:

- Reviewed Technology audit reports.
- Monitored Cyber information security related projects including Rapid 7 application security, Multi factor authentication, Dark trace email security, and file integrity management.
- Monitored cyber security incidences affecting the Bank.
- Received reports and provided oversight over implementation of actions plans to ensure compliance with the Bank of Ghana Information & Cyber Security Directive.
- Monitored information technology related projects such as upgrade of the core banking application (T24) from R17 to R22, CBG Mobile App and testing of the Bank's Disaster Recovery Site.

Board Risk Committee

Philip Osafo-Kwaako	Chairman (Resigned July 15, 2024)
Afua Oforiwaa Djimi	Member (Resigned February 29, 2024)
Yaw Asamoah	Chairman (Appointed August 8, 2024)
Dr. Bright Yelviel Bakye Baligi	Member
Gloria Owusu	Member

The Board Risk Committee is mandated to:

- Review and approve the Bank's Risk Policies.
- Set a risk appetite/tolerance and strategy including on AML/CFT, within which management is required to develop business strategy/plans, objectives and targets for achievement, the Committee is to advise the Board on the recommended risk strategy/appetite within which business is to be conducted
- Oversee and advise the Board on the current risk exposures of the Bank and future risk strategy.

The Committee held four meetings in the year and the areas of focus were:

- Emerging risks including capital, liquidity and market risk.
- Review and approval of counter party limits for 2024
- Review and approval of 2024 Financial Crime Enterprise-Wide Risk assessment report to Bank of Ghana.
- Comprehensive review of the Bank's risk appetite statement and risk profile.
- Monitored the Bank's capital adequacy and liquidity positions; and
- Monitored measures implemented to strengthen the balance sheet to maintain adequate capital and liquidity, considering the Sovereign credit downgrades with its attendant expected credit losses (ECLs).

Board Credit Committee

Gloria Adjoa Owusu	Chairperson
Edward Prince Amoatia Younge	Member
Maureen Abla Amematekpor	Member

The Board Credit Committee is mandated to:

- Review and recommend the credit risk section of the risk framework and the narrative and risk appetite metrics and limits supporting the credit risk section of the Bank's risk appetite statement to the Board Risk, Cyber and Information Security Committee (BRCISC) for approval.
- Review with senior management the Bank's significant policies, processes and metrics for identification of, management of and planning for credit risk. Periodically review management's strategies and activities for managing credit risk, including stress test results and compliance with underwriting standards.
- Oversee management's administration of the Bank's credit portfolio, including management's responses to trends in credit risk, credit concentration and asset quality, and review reports from senior management (and appropriate management committees and Credit Review) regarding compliance with applicable credit risk related policies, procedures, and tolerances.

Highlights for 2024

The Committee held eleven meetings in the year and the areas of focus were:

- Loan Recovery Updates
- Credit approval requests
- Update on Legal Cases on Recovery Collateral Report (State of Perfection)
- Credit Concentration by Industry
- Review of Credits granted by Management.
- Large Exposures Reports (50 Largest)
- Non-Performing Loans Report
- Updates on status of approved credits
- Review of credit policies

The focus of planned activities for the Board Committees for the 2025 financial year will be in line with the Board's medium-term strategy to realign the business, sustaining growth and building resilience. The calendar of activities of the Board Committees will be in line with their mandate within the Corporate Governance Framework of the Bank.

Profile of Directors

Director	Qualification	Position	Other board membership and management positions
Welbeck Abra-Appiah	BA (Economics)	Chairman	Presbyterian Press
Daniel Wilson Addo	Chartered Accountant MBA(Finance) FCIB(Hons)	Managing Director	Hollard Insurance Ghana Limited Hollard Ghana Holdings Limited Mobus Properties (Ghana) Limited
Maureen Abla Amematekpor	MBA (Strategic Management)	Independent Non-Executive Director	Avos Oil Company Limited Bradley Thomas Limited
Gloria Adjoa Owusu	MBA (Finance) BA (Law & Economics)	Independent Non-Executive Director	Fleet Street Limited Haute Living Limited Thunder Technologies Limited
Philip Osafo – Kwaako	PhD (Economics and Public Policy)	Independent Non-Executive Director	Akosombo Industrial Company Limited PRS Energy Limited Philippi Manufacturing and Trading Company Limited. Veritas Allied Industries Limited
Afua Djimi	MBA (Finance & Strategy) Bachelor of Engineering BA (Mathematics)	Independent Non-Executive Director	Delwik Group Daraju Industries Limited Koosmik Corp.
Yaw Asamoah	BA (Economics)	Independent Non-Executive Director	Foundation for Orthopaedics & Complex Spine
Dr. Bright Yelviel Bakye Baligi	PhD (Project Management)	Independent Non-Executive Director	Langboore Development Initiative, LBG
Edward Prince Amoatia Younge	MPhil (Marketing)	Independent Non-Executive Director	Target Link Limited
Prof Kwaku Appiah-Adu	PhD (Business Administration) MBA (Marketing and Finance) Chartered Architect BSc (Hons) Architecture	Independent Non-Executive Director	GLICO Pensions Trustee Company Ltd. Ghana Grid Company Ltd. Switchback Developers Ltd.

Profile of Directors (continued)

Welbeck Abra-Appiah

Welbeck is an executive with 45 years of high-level operating experience gained across diverse industries and businesses. He previously worked with Ghana Commercial Bank now (GCB Bank) and the then Bank for Housing and Construction, rising through the ranks to Managing Director (MD) of Amalgamated Bank (now Bank of Africa) where he led as an innovative strategist. He is a member of the Chartered Institute of Bankers and Ghana Association of Bankers and was chairman of the Premier league board, a position he held for over a decade. He was a consultant for World Bank on SME Projects and is currently an entrepreneur in manufacturing. Welbeck is Harvard Business School (USA) educated and a product of the University of Ghana, with a Bachelor of Arts in Economics, Sociology, and Political science. Welbeck has vast leadership, organizational development, banking and finance experiences. He loves football.

Daniel Wilson Addo

Daniel Addo is the Managing Director and Chief Executive Officer (CEO) of Consolidated Bank Ghana. He is a Chartered Accountant with twenty-eight years post qualification experience and trained with KPMG after leaving the Institute of Professional Studies in 1991. Daniel holds an MBA (Finance) from the Manchester Business School and is a Fellow of the Chartered Institute of Bankers Ghana. He has extensive banking experience having worked in several roles in Standard Chartered Bank, First Atlantic Bank and United Bank for Africa (UBA) in Ghana and other African countries. At different times he was Deputy Managing Director of UBA Ghana, Managing Director of UBA Tanzania and Executive Director of First Atlantic Bank. He is a Non-Executive Director of Hollard Ghana Holdings and Mobus Properties Limited and a council member of the National Banking College. Daniel also sits on the Global Advisory Council of the Commonwealth Enterprise and Investment Council Daniel is a turnaround expert, having at different times during his career, been involved in transforming two banks, and starting two others. He is a keen golfer, swims for exercise and relaxation, and listens to music in his spare time.

Maureen Abla Amematekpor

Maureen Amematekpor is a Diplomat and Educationist with over 30 years of working experience. As a diplomat, spanning over a decade, she was Ghana's Ambassador to Denmark with accreditation to Sweden, Norway, Finland, and the Faroe Islands. She was hitherto Ghana's High Commissioner to Namibia, accredited to Botswana. Maureen, an educationist from 1987 to 1992, holds a master's degree in business administration from the University of Maastricht, Netherlands as well as Effective Leadership in Management and Administration certification from the University of Ghana. She also studied Project Management at Ghana Institute of Management and Public Administration (GIMPA). Her experiences lie with diplomacy in negotiations, Project management and business administration.

Gloria Adjoa Owusu

Gloria Owusu is a Financial Analyst and client relationship management expert. She is adept at banking business relations, and financial and strategic planning with over 20 years of working experience. She has held various management roles in corporate banking at First Atlantic Bank, managing the business development and risk portfolio of the bank. She led Corporates and Government Relations at GLOBACOM Limited until 2013 when she was appointed Executive Director of Auctus Limited responsible for the financial performance of the business. Gloria holds an Executive MBA in Finance from the University of Ghana and a Bachelor of Arts in Law and Economics from Kwame Nkrumah University of Science and Technology (KNUST).

Philip Osafo – Kwaako

Philip Osafo- Kwaako is a strategist and consultant with 15 years of working experience in the line of policy development and governance. He previously worked as an Associate Partner at McKinsey & Co. leading client engagements across Africa and the Middle East. He has served in several finances and developmental advisory roles to the United Nations, Nigeria Minister of Finance and the Zambian Ministry of Commerce as an Economic Adviser. He was a consultant for The Infrastructure Bank of Nigeria during its privatization from a state-owned bank and at The Brookings Institution, Washington DC. Philip holds a Ph.D. in Public Policy from Harvard University and an M.Phil. in Development Studies from the University of Oxford and Massachusetts Institute of Technology. Philip holds a BSc in Economics and BSc in Chemical Engineering.

Afua Djimi

Afua is an independent and proactive leader with confidence and integrity. Currently, she is Founder & Managing Partner of Delwik Group (founded 2018), an independent financial advisory and principal investment firm based in Zurich, Switzerland (http://www.delwikgroup.com/). She is a senior Finance and Investment Executive with several years' experience in Private Equity, Investment Banking, Project Finance and Asset Management in Europe, America, Asia and Africa with a focus on the African Private Equity industry in the Fundraising, Deal Origination, Deal Execution, Exits, Due Diligence, Value Creation and Portfolio Monitoring. Afua is currently independently consulting under the Delwik Group structure. She has extensive experience in West Africa especially Nigeria and strong finance and infrastructure experience across Africa.

Yaw Asamoah

Yaw is an experienced investment banker with an immense amount of experience in the capital markets. He recently retired from J.P. Morgan after a 22-year career in investment banking. He is an entrepreneur with the goal of creating opportunities for the masses. He is involved in numerous philanthropic activities including serving on the board of FOCOS (Foundation for Orthopaedics & Complex Spine), a non-profit organisation which delivers specialized orthopaedic care in the African region and beyond.

Dr. Bright Yelviel Bakye Baligi

Bright Yelviel-Dong Baligi is a seasoned Ghanaian professional with extensive expertise in environmental economics, project management, and educational leadership. He has demonstrated a profound commitment to sustainability, development policy, and resource management throughout his career. Baligi's academic credentials, combined with his practical experience, position him as a leading figure in his field. Baligi has led and contributed to pivotal research projects, including the economic assessment of fisheries industries, timber species evaluation, and waste management studies. These works underscore his analytical prowess and dedication to environmental and economic sustainability.

Edward Prince Amoatia Younge

Edward Prince Amoatia Younge is an accomplished executive with expertise in marketing, distribution, and strategic planning. Possessing an impressive educational background, including an MPhil and an Executive MBA in Marketing from the University of Ghana, along with a BA Honors in Sociology with Economics, Edward has established himself as an invaluable asset in the corporate world. Throughout his career, he has held prominent roles at British American Tobacco Ghana Ltd, where he proved his ability to devise and execute effective trade marketing and distribution strategies. He has excelled in managing sales and logistics departments, ensuring the smooth operation of supply chains. In 2003, Edward embarked on an entrepreneurial journey, successfully leading, and advising various companies. Notably, he played a pivotal role in restructuring GHACEM's marketing organization. Beyond his professional accomplishments, Edward contributed his expertise as a Non-Executive Director at GCB Bank Limited, where he helped shape the Bank's strategic direction. Outside of work, Edward is an active member of the American Marketing Association and enjoys music, playing and watching soccer. Edward's leadership style is marked by his visionary thinking, commitment to excellence, and his drive to foster innovation and operational efficiency.

Professor Kwaku Appiah-Adu

Kwaku Appiah-Adu is a professor of Strategy and Senior Policy Advisor in Ghana's Vice President's Secretariat, coordinating the Energy Sector Recovery Programme. He led the development of Ghana's Integrated Aluminium and Iron & Steel Projects and co-authored the country's Digital Transformation Blueprint. Kwaku has held pivotal roles in policy coordination and served on several national committees, including the Oil and Gas Technical Committee. Previously, he worked at PwC and managed major projects in the United Kingdom (UK). He is an experienced academic, he was Dean at Central University Business School and lectured at Cardiff and Portsmouth Universities.

Kwaku has published extensively and is recognised for his contributions to business and national development, holding leadership positions in GLICO Pensions, Vivo Energy Ghana, and Ghana Grid Company.

Schedule of attendance at Board Committee meetings

Members	**Board of Directors**			
	Role	**Date appointed**	**Number of Meetings**	**Attendance**
Welbeck Abra-Appiah	Chairman	*Resigned November 20,2024*	8	7
Gloria Adjoa Owusu	Member	21 November 2018	8	8
Maureen Abla Amematekpor	Member	21 November 2018	8	8
Philip Osafo-Kwaako	Member	*Resigned July 15 2024*	8	1
Daniel Wilson Addo	Member	1 August 2018	8	8
Afua Djimi	Member	*Resigned February 29, 2024*	8	0
Yaw Asamoah	Member	5 May 2021	8	8
Dr. Bright Yelviel Bakye Baligi	Member	02 August 2022	8	7
Edward Prince Amoatia Younge	Member	02 August 2022	8	7
Prof. Kwaku Appiah-Adu	Member	23 December 2022	8	8

Members	**Board Governance & Nomination Committee**			
	Role	**Date Appointed**	**Number of Meetings**	**Attendance**
Yaw Asamoah	Chairman	17 June 2021	4	4
Prof. Kwaku Appiah-Adu	Member	23 December 2022	4	4
Philip Osafo-Kwaako	Member	Resigned July 15, 2024	4	1
Maureen Abla Amematekpor	Member	25 January 2019	4	4

Members	**Board Risk Committee**			
	Role	**Date Appointed**	**Number of Meetings**	**Attendance**
Philip Osafo-Kwaako	Chairman	Resigned July 15, 2024	4	1
Afua Oforiwaa Djimi	Member	Resigned February 29, 2024	4	0
Yaw Asamoah	Chairman	17 June 2021	4	2
Gloria Owusu	Member	21 November 2018	4	3
Bright Yelviel Baligi	Member	02 August 2022	4	4

Members	Board Technology, Cyber & Information Security Committee			
	Role	**Date Appointed**	**Number of Meetings**	**Attendance**
Prof. Kwaku Appiah-Adu	Chairman	23 December 2022	4	4
Afua Oforiwaa Djimi	Member	Resigned February 29, 2024	4	0
Yaw Asamoah	Member	17 June 2022	4	4

Members	Audit Committee			
	Role	**Date Appointed**	**Number of Meetings**	**Attendance**
Edward Prince Amoatia Younge	Chairman	02 August 2022	5	5
Bright Yelviel Baligi	Member	02 August 2022	5	3
Gloria Adjoa Owusu	Member	25 January 2019	5	5

Members	Credit Committee			
	Role	**Date Appointed**	**Number of Meetings**	**Attendance**
Gloria Adjoa Owusu	Chairperson	25 January 2019	11	11
Edward Prince Amoatia Younge	Member	25 January 2019	11	11
Maureen Abla Amematekpor	Member	25 January 2019	11	11

Code of Conduct

As part of the Bank's corporate governance practice, management has communicated the principles of the Bank's code of conduct to all employees. The code of conduct provides a basic framework and guidance for behaviours and business conduct. The code of conduct also serves as a reference point in all aspects of employee's working relationships with other employees, customers, suppliers, government officials, regulators, joint venture partners, competitors and the broader community.

The Board is ultimately responsible for ensuring adherence to the Code of Conduct. The Code has been made available to all staff and Directors and is reviewed annually. Staff and Directors are required to recommit to the Code on an annual basis. The last such review and recommitment was in January 2024. Staff who breach the code are subject to disciplinary proceedings.

Anti-Money Laundering

The Bank has established an anti-money laundering system in compliance with the requirements of Ghana's Anti-Money Laundering Act, 2020 (Act 1044). These include due diligence for opening new accounts, customer identification, monitoring of high-risk accounts, record keeping and training of staff on money laundering which assist in reducing regulatory and reputational risk to its business.

Executive Management Committee

The membership of Executive Management Committee and their profile are as follows:

Executive Member	Qualification	Position	Previous work Experience
Daniel Wilson Addo	Chartered Accountant MBA(Finance) FCIB(Hons) Insolvency Practitioner	Managing Director	Executive Director – First Atlantic Bank Managing Director – UBA, Tanzania Dep. Managing Director – UBA, Ghana Head, Business Partnering – SCB, Ghana Financial Controller - Leo Shield Exploration Ghana Limited Assistant Manager - KPMG
Thairu Ndugu	BSC in Mathematics Post Graduate Diploma (Computer Science)	Deputy Managing Director-Technology & Operations	Partner/COO – Nubuke Investment LLP Regional Head, Market Operations (Africa) – Standard Chartered Bank
Nana Ama Poku	Executive MBA (Entrepreneurial Management) MA Marketing Communications BA (Social Sciences) FCIM FCIMG	Deputy Managing Director – Corporate Resources	Deputy CEO - Ghana Export-Import Bank Head, Financial Institutions - First Atlantic Bank Branch Manager – First Atlantic Bank Assistant Manager, Risk - First Atlantic Bank

Executive Management Committee (continued)

Executive Member	Qualification	Position	Previous work Experience
Charles Appiah	EMBA (Finance) BA (Philosophy & Linguistics) FCCA Insolvency Practitioner	Director, Finance & Strategy	GM Finance – Omni-BSIC Bank Group Head Corporate Banking – First Atlantic Bank CFO - First Atlantic Bank CFO – UBA, Ghana Dep. CFO – Intercontinental Bank
Emmanuel Nikoi	EMBA (Finance) ACCA ICAG CITG BSc. Admin. (Accounting)	Director, Retail and Business Banking	Chief Strategy Officer – Consolidated Bank Ghana Ltd Financial Consultant – Boulders Advisors Ltd CFO – Capital Bank Ghana Ltd Financial Controller – Universal Merchant Bank Audit Manager, Eddie Nikoi Accounting Consultancy
Angela Forson	EMBA (Marketing) BA (Economics, Geography and Resource Development)	Director, Corporate and Institutional Banking	Divisional Director, Corporate and Investment Bank – Fidelity Bank Director, Institutional Banking – Fidelity Bank Head, Telecoms and Multinationals Desk – Fidelity Bank Authorized dealing officer/Investment relations officer - Databank
George Mensah (Resigned August, 2024)	EMBA Entrepreneurial Management BSc (Computer Science)	Director, Technology (Resigned August 2024)	Group Chief Information Officer – Fidelity Bank Chief Information Officer - Standard Bank Group
Samuel Chiatey Barketey	LLB Member of the Institute of Directors-Ghana MBA (Finance) PRINCE2 Project Management ACIB BA (Economics and Sociology)	Director, Operations	Head of Operations – uniBank Ghana Head of Domestic Operations – uniBank Ghana Senior Manager, Branch Operations and Service Delivery - Standard Chartered Bank Teller - Standard Chartered Bank
John Kwame Mensah Zigah *(Resigned January 31, 2025)*	FCCA ACIB MBA (Financial Management) BSc Business Administration (Banking and Finance)	Director, Global Markets (Resigned January 2025)	Chief Treasury Officer – Sovereign Bank Head, Treasury & Investment – ADB ALM Manager – Calbank Deputy Risk Manager- CalBank Dealer Stanbic Head Treasury Ops -Stanbic Finance Officer - Stanbic
Esi Mmirba Wilson	MBA (HRM) BA(Hons) Publishing Studies Member, Chartered Institute of Personnel Development Member, SHRM (USA). Certified Practitioner, ADR Certified Practitioner, Change Management Member, ACIB	Director, People and Transformation	Chief Human Resource Officer – Sovereign Bank Head, HR – FirstBanc Financial Services Head, HR – Nyaho Medical Centre Head, HR – Akwapim Rural Bank Manager – Quality Control Assistant Production Controller

Executive Management Committee (continued)

Executive Member	Qualification	Position	Previous work Experience
Patrick Boadi	FCCA ICA CIA CFE CISA Snr Lead Auditor ISO 27001; MIoD CIM UK MBA Finance, BCom	Director, Audit	Chief Internal Auditor - Barclays Bank Ghana Country Head of Audit - Standard Chartered Bank Gambia Senior Audit Manager - Standard Chartered Bank Ghana Audit Manager - Glo Mobile Senior Auditor - Vodafone Group Senior Associate – KMPG Finance Manager - C&J Medical Centre Accounting Software Implementor- Soft Co. Ltd (now SOFT Tribe) Board Audit Committee Member - Ghana Law School, GIMPA, Institute of Directors, Ghana
Anthony Mensah	LLB BA (Hons) English and History Notary Public Insolvency Practitioner	Chief Legal Officer	Head, Legal – Sovereign Bank Legal Officer – Fidelity Bank Legal Officer – CHRAJ
John Addo Obiri	MSc (Environmental Science) BSc (Environmental Science) Insolvency Practitioner ACIB	Director, Risk	Enterprise Risk Project Manager – CBG Sector Head, FI & NBFIs - CBG Sector Head, FI – Sovereign Bank Head, NBFIs – First Atlantic Bank Head, FI – GTBank (Ghana) Ltd
Gerald Quartey *(appointed October 4, 2024)*	BA (Hons) FCCA ICA Insolvency Practitioner	Director, Credit	Chief Credit Officer-CBG Head of Credit Risk Management -CBG Head, Credit (Heritage Bank Limited) Head Internal Control (Heritage Bank Limited) Head, Credit Risk Management (FBN Bank Ghana Ltd) Chief Risk Officer (IFS Financial Services) Head, Credit Risk Management- UBA Head Loan Recoveries and Remedial Management -UBA Internal Auditor, UBA Senior Trainee Auditor (KPMG)

Daniel Wilson Addo – Managing Director

Daniel Addo serves as the Managing Director and CEO of Consolidated Bank Ghana Ltd. (CBG), bringing a wealth of expertise as a Chartered Accountant with twenty-nine years of post-qualification experience. Daniel is recognized as a Fellow of the Chartered Institute of Bankers Ghana and a member of the Ghana Association of Restructuring & Insolvency Advisors (GARIA). Throughout his career, Daniel has demonstrated extensive industry and banking proficiency, having held pivotal roles in Perseus Mining, Standard Chartered Bank, First Atlantic Bank, and United Bank for Africa (UBA) across Ghana and other African countries. Notably, he has served as Deputy Managing Director of UBA Ghana, Managing Director of UBA Tanzania, and Executive Director of First Atlantic Bank. Renowned for his strategic acumen, Daniel has played instrumental roles in the startup and transformation of banks, contributing to the success of two startup banks and leading the transformation initiatives for two others. Daniel serves as a Non-Executive Director for Hollard Ghana Holdings and Mobus Properties Limited. He also contributes to the banking sector's development as a council member of the National Banking College. Daniel was honoured with the "Marketing Man of the Year 2021" award at the 33rd Annual National Marketing Performance Awards by the Chartered Institute of Marketing Ghana (CIMG). He is a member of the Global Advisory Council of the Commonwealth Enterprise and Investment Council. Outside the boardroom, he indulges his passion for golf and music.

Thairu Ndungu – Deputy Managing Director (Operations)

Thairu Ndungu is Deputy Managing Director – Technology & Operations of Consolidated Bank Ghana. He has over thirty years' experience in the Financial Markets. He worked at Nubuke Investments LLP, London in the UK for twelve years as Partner and Chief Operating Officer. Prior to that he was working for Standard Chartered Bank in their Africa Regional Office based in London, UK. He worked for Standard Chartered for 16 years, in various roles and countries in Africa, UK, Middle East and Asia. The last role being Regional Head, Markets Operations – Africa based in London and briefly in Dubai. He has extensive experience in general management, Investment management, risk management, project management and process change management. Thairu has a BSC in Mathematics and Post Graduate Diploma in Computer Science, both from the University of Nairobi, Kenya. Thairu was also awarded honorary PHD (business and management) by the Maryland State University (USA).

Nana Ama Poku – Deputy Managing Director (Corporate Resources)

Result driven Executive with a unique blend of across division/department oversight in Development Finance, Policy Banking and Commercial Banking. Nana Ama is a seasoned leader adept at corporate strategy execution at the C-Suite level. A firm believer in private sector growth, she has extensive insight in end-to-end financing support for agriculture production, agro processing, import substitution, strategic importation, and export trade as boosters for economic growth. She has a background in Risk Management, Banking Operations, Branch Management, SME and Corporate Banking, Government guaranteed project financing, support for non-bank financial institutions as well as oversight of core support functions including Corporate Communications, Administration, Customer Experience and Product Development with a career spanning over two decades. She has over the years had extensive Board/corporate governance structured training obtained from agencies the world over to augment hands-on experience. Played a pivotal role in the operationalization of the Ghana Export-Import Bank (EXIM) as its pioneer Deputy Chief Executive Officer (Banking). She is Member, Trade Finance

Technical Working Group (Ghana) for the operationalisation of the Africa Free trade Continental Area (AfCFTA). She holds an MA (Marketing Communications) from the University of Westminster Business School, UK, an Executive MBA (Entrepreneurial Management) from the University of Ghana Business School, Legon, and a BA (Social Sciences) from the University of Science and Technology, Ghana. She is a Fellow of the Chartered Institute of Marketing - UK (FCIM) and Fellow of the Chartered Institute of Marketing Ghana (FCIMG). Nana Ama is recipient of numerous awards including the Global Leadership Excellence Award, Ghana Women of Excellence Award, Outstanding Woman in Enterprise Finance, and is G100 Global Chair - Exports Credit at the Women Economic Forum (WEF).

Charles Appiah – Director, Finance and Strategy

Charles Appiah is Director, Finance and Strategy at Consolidated Bank Ghana Ltd (CBG). He is a dynamic and result oriented professional with twenty-one (21) years post-qualification experience spanning across finance, strategy, corporate & business banking and auditing. He has been involved in turnaround of banks, where working closely with the CEOs have transformed the banks from loss-making to profitability within a short period. Prior to joining CBG in 2019, Charles held key positions at OmniBSIC Bank as General Manager Finance, First Atlantic Bank as Chief Finance Officer, and Group Head, Corporate Banking of the same institution. He was also Chief Finance Officer at the United Bank for Africa (UBA) Ghana Ltd and the Deputy Financial Controller in charge of Financial and Regulatory Reporting at the erstwhile Intercontinental Bank Ghana Ltd (Now Access Bank Ghana Ltd). In 2005 as Auditor in a firm of Chartered Accountants, Charles was involved in the auditing of projects undertaken under the Government of Ghana HIPC initiative, a project that ensured that no financially handicapped country would face an unmanageable debt burden. The experience strategist is driven by success and the zest to achieve excellence in all his endeavours. This has led to many recognitions including Chief Finance Officer (CFO) of the year 2023 (Africa) awarded by the Finance Focus Magazine and the Best CFO for the 18 African countries at the UBA Group in the year 2008. Mr. Appiah is a Fellow of the Association of Chartered Certified Accountant (ACCA). He holds an Executive MBA in Finance and holds a Bachelor of Arts Degree in Philosophy and Linguistics (First-Class Honors) from the University of Ghana. He also holds certification from various International Institutions including Harvard Business School, Euro Money Training Institute (USA), London Training Institute among others. Mr. Appiah is a football enthusiast with English Premier League Club, Chelsea, and Asante Kotoko football club as his favourites.

Emmanuel Nikoi – Director, Retail and Business Banking

Emmanuel Nikoi is Director, Retail and Business Banking (R&BB) at Consolidated Bank Ghana Limited (CBG). Prior to this role, he was the Chief Strategy Officer of CBG. Emmanuel is a Chartered Accountant, a member of ACCA and ICA Ghana, and a member of the Chartered Institute of Taxation, Ghana. He holds EMBA-Finance (University of Ghana), BSc Administration-Accounting option (University of Ghana) with First class honours. Emmanuel is an old boy of Presbyterian Boys Secondary School, Legon with many colourful distinctions. He was a Project Manager at the Integration of Sovereign Bank, Construction Bank, Unibank, Royal Bank, Heritage Bank, Premium Bank and The Beige Bank to form CBG. His previous jobs include, Chief Finance Officer-Capital Bank Ghana Limited, Head - Finance and Strategy (Financial Controller), Universal Merchant Bank, Head Business Strategy, Budgeting & Performance Management, Merchant Bank Ghana Limited, Managing Director's Special Assistant, Merchant Bank Ghana Limited, Head Statutory Reporting, Merchant Bank Ghana Limited, Assistant Head Financial Accounts, Merchant Bank Ghana Limited. He was a Financial Consultant at Boulders Advisors Limited and an Audit Manager at Eddie Nikoi Accounting Consultancy.

Angela Forson - Director, Corporate and Institutional Banking

Angela Forson is currently the Director of the Corporate and Institutional Banking Division, at Consolidated Bank of Ghana Limited. She is a Financial Sector Practitioner with close to 25 years of experience across the industry. She is a product of the University of Ghana, and she holds an Executive MBA in Marketing and a Bachelor of Arts Degree (Economics, Geography and Resource Development). Before taking up the role of Director, she oversaw the Institutional Banking team in her capacity as General Manager.
In 2011, Angela became the first female director in charge of the business in the then fourth largest Bank in Ghana, Fidelity Bank, responsible for the Corporate Banking team. Before assuming this position, she was Co Head and Divisional Director for the Cooperate and Investment Bank Division of Fidelity Bank. She also worked in many other roles in Fidelity Bank, including Director of Public Sector and Institutional Banking, and Head of the Telecoms and Multinationals desk in the Corporate Banking Unit. Angela has worked as a licensed broker/Investment advisor, traded on the Ghana Stock Market and managed investment portfolios in asset management and has extensive experience in the Capital Markets. Apart from her career achievements, she is passionate about being able to serve as a role model for the next generation of female leaders in Ghana and is a Fortune/US State Department Emerging Global Women's Mentoring Programme Alumni. Angela has undertaken numerous management courses from reputable institutions including the Harvard Business School. She also belongs to the Executive Women Network, the International Women's Forum, and is a member of the University of Ghana Business School Corporate Advisory Group. Angela currently serves as a Director on the Board of GOIL Company Limited.

John Kwame Mensah Zigah – Director, Global Markets (Resigned January 2025)

John K. M. Zigah is Director, Global Markets and has a major interest in Treasury, Finance and Risk management. He is responsible for developing and implementing the Treasury Policies and strategies including foreign exchange and money market dealing systems, managing key treasury risks for the bank including foreign exchange, interest rate and liquidity. John holds MBA- in Financial Management, from the University of Hull, United Kingdom, BSc. Administration. (Finance & Banking) University of Ghana, Legon. Association of Certified Chartered Accountants 2010 - (FCCA). Chartered Institute of Bankers Ghana, (ACIB). Dealing Certificate - Association of FX Dealers. ADO- (Associate Dealing Officer) Ghana Stock Exchange. He comes to this position as Chief Treasury Officer of CBG with a rich experience as former Chief Treasury Officer -Sovereign Bank, Head-Treasury and Investment, Agricultural Development Bank. Manager, Asset and Liability Management Cal Bank, Operational Risk Control Officer-Royal Bank of Scotland, England, and Head - Treasury Operation Stanbic Bank Ghana. John loves to work together with colleagues as a team, positively influencing team cohesion to achieve set goals. Major areas of interest are Treasury, Finance and Risk management, Financial Analysis, Derivatives, Risk Management, Capital Markets, Foreign Exchange (FX) and more. John is a big fan of sports.

Esi Mmirba Wilson – Director, People and Transformation

Esi Mmirba Wilson (Mrs.) is the Director, People and Transformation at Consolidated Bank Ghana (CBG). She is a Human Resource practitioner and a professional with experience in change management, training and development, performance management, recruitment, and talent management. Esi Mmirba Wilson has an MBA (Human Resource Management) University of Ghana, Legon, B.A. (Hons) Publishing Studies (First Class Honors) Kwame Nkrumah University of Science and Technology, Kumasi. Esi is a Certified Chartered Banker, a Certified International Retail Banker and a Qualified Lumina Spark Practitioner, SHRM (USA). Before working with CBG, Esi had worked at Sovereign Bank Limited as Chief Human Resource Officer, setting up Human Resource Departments in Akwapim Rural Bank, and FirstBanC Financial Services and was involved in the organizational design, policy formulation and implementation to ensure that the organizations become high performing bodies. She was also Human Resource Manager, Nyaho Medical Centre, Accra. Esi is responsible for the formulation, implementation and monitoring of Human Capital policies and procedures and ensures their compliance with the systems, structures and standards set by the various business and support units of the Bank. In her relaxing moments, she reads, researches and watches crime movies.

George Mensah – Director, Technology (Resigned August 2024)

George has worked in the Information Technology (IT) world for the past twenty-five years in various capacities and management levels. He is an experienced IT professional who has worked with Multinational companies like Deloitte and Touch Consultants, Standard Chartered Bank Ghana Limited, and Stanbic Bank Ghana (a member of the Standard Bank Group) where he held various positions within the Technology and Operation units. He was the Regional Chief Information Officer (West Africa) for Standard Bank Group, and the Group Chief Information Officer at Fidelity Bank Ghana before joining Consolidated Bank Ghana as the Director of Technology. He holds a Bachelor of Science degree in Computer Science, an Executive Master of Business administration Degree (EMBA) in Entrepreneurial Management, a certificate in Digital Money, and Corporate Governance and is a member of the Ghana Institute of Directors. He brings a wealth of experience to provide strategic vision, digital transformation, Technology Governance, Operational excellence, leadership and cutting technology solutions to enhance customer experience in the financial services community.

Samuel Chiatey Barketey – Director, Operations

Samuel Chiatey Barketey is an astute professional, results-focused leader and a strategist offering over 30 years of experience in the Banking Industry with focus and expertise in Operations, Service delivery and Operational Risk. He has proven ability to drive operational discipline, drawing strengths from experiences in various facets of banking. He is well known for his interpersonal and multitasking capabilities and passion for excellence through continuous improvement. A lawyer by profession, Samuel's legal background has also influenced largely his perspective and decision-making in driving the operations of the Consolidated Bank Ghana Limited (where he is currently the Director of Operations), with particular focus on policy, procedures, and regulatory compliance. Samuel started his banking career with Standard Chartered bank, High Street Accra in 1992 as a Teller. He rose through the ranks to the role of Senior Manager, Branch Operations and Service Delivery. He resigned from Standard Chartered Bank in 2012 to Join the erstwhile uniBank Ghana Limited were he established the Operational Rigour department. By dint of his hard work, Samuel was promoted as Head of Domestic Operations and subsequently promoted as Head of Operations for the bank, responsible for over seven departments. Samuel is an Associate Member of The Chartered Institute of Bankers, Ghana, and a Member of Ghana Bankers Association sub-committee on Fraud/AML/CTF/Security. He holds an MBA in Finance from the University of Ghana Business School and LLB from Mountcrest University College and has a Qualifying Certificate in Law from the Ghana School of Law.

John Addo Obiri – Director, Risk

John Addo Obiri is the Director Risk at CBG. He is a certified IFC Sustainability Expert for Financial Institutions and has over 15 years of banking experience in Corporate Banking, Institutional Banking, Retail Banking and Risk Management. His experience in Risk Management span from Environmental and Social Risk, Market and Liquidity Risk, Credit Risk, and Operational Risk. John served as the Enterprise Risk Project Manager for the Bank and was mainly responsible for developing and implementing Risk Policies, Metrics and Programs for the Bank. Between 2018 and 2020, he was the Sector Head for Financial Institutions & Non-Bank Financial Institutions (NBFIs) at CBG, leading the formulation and implementation of the Bank's Financial Institutions Strategy and the overall growth of the Unit. He was very instrumental during the consolidation of the Seven (7) erstwhile banks into the Consolidated Bank Ghana (CBG) in 2018, where he served on the validation team at the erstwhile Beige Bank. Due to the immense work done, he was reassigned to supervise the erstwhile Royal Bank, where he saw the successful coordination of the entire consolidation process and the day-to-day activities of the Bank. He also led a Ten (10) member Team to validate customers' investment holdings from all Seven (7) erstwhile banks. John served as the Head of Financial Institutions (Corporate Banking) for the erstwhile Sovereign Bank Limited from 2016 to 2018 after moving from First Atlantic Bank Limited where he was Head

for NBFIs. As part of his roles, he deepened and secured new business relationships through tailored products to meet client needs. His experience at GT Bank between 2009
and 2014, saw him serving in different capacities at the Risk Department and Financial Institutions Unit (Corporate Banking) where he led the team at the Financial Institutions Desk, setting the example and tone for a strong sales environment. He also successfully established the Environmental and Social Management System (ESMS) under the Risk Department, where he developed and implemented policy and framework for the Bank. John holds a Master of Science degree in Environmental Science from the Kwame Nkrumah University of Science and Technology and a Bachelor of Science degree in Environmental Science from the University of Cape Coast. He is also a member of Ghana Association of Restructuring and Insolvency Advisors (GARIA) and an Associate member of the Chartered Institute of Bankers (ACIB).

Anthony Mensah – Chief Legal Officer

Anthony is a young astute lawyer with rich experience in Corporate Law and Banking and a firm grasp of Human Rights and Labour Law. He worked as a pupil lawyer with Zoe, Akyea & Co. and then at the Commission on Human Rights and Administrative Justice (CHRAJ) as a legal officer, assisting with investigating claims and writing legal opinions on varying issues, amongst other functions. Anthony moved to Fidelity Bank in 2011 in the role of a legal officer, drafting agreements and instruments, prosecuting matters in court, advising management on legal issues and an assistant to the company secretary. He later worked as the Head of the Legal Department and the Company Secretary, supervising all legal matters in the 10 Bank. He has a Qualifying Certificate in Law from the Ghana School of Law; an LLB and a B. A. (Hons) in English and History also from the University of Ghana, Legon. He is a Notary Public and an Insolvency practitioner Licenced by the Ghana Association of Restructuring and Insolvency Advisors. Anthony has extensive experience in Corporate Finance legal advisory, Investment legal Advisory Practice and I.T projects legal advisory. In his previous role as Head of Legal and Company Secretary at Fidelity Bank and Head of Legal at Sovereign Bank Limited, he superintended over the legal, compliance, company secretarial and transactional issues in a highly regulated industry. He has initiated and successfully executed major transactions including U$150 million plus equity and debt transactions, involving international majors like Proparco, IFC, Amethis, Edmunde De Roschilds, DEG, FMO and Swedefund. He has worked on numerous complex and complicated syndicated transactions, structured finance, trade finance, project financing deals as well as I.T project implementation. During his time at Fidelity, he oversaw the legal implementation of the outsourcing of the I.T function by Fidelity Bank Ghana Limited to IBM. He loves playing football and is an avid reader.

Patrick Boadi, Director Internal Audit

Patrick Boadi is a Fellow Chartered Certified Accountant (FCCA); Chartered Accountant (CA, GH); Certified Internal Auditor (CIA); Certified Fraud Examiner (CFE); Certified Information Systems Auditor (CISA); Snr Lead Auditor ISO 27001; Member, Institute of Directors (MIoD); Member, Chartered Institute of Marketing (CIM UK); Master of Business Administration (MBA) Finance, University of Essex, UK; Bachelor of Commerce (B.com 1st Class Hons, UCC). Patrick's areas of expertise are Internal and External Auditing, Risk Management, Financial and Management Reporting, Process Reviews and Reengineering, Project Management, Fraud Reviews & Investigations, Business Advisory and Consultancy services. Prior to CBG, Patrick had been the Chief Internal Auditor, Barclays Bank Ghana; Country Head of Audit, Standard Chartered Bank Gambia; Senior Audit Manager, Standard Chartered Bank Ghana; Audit Manager, Glo Mobile; Senior Auditor, Vodafone Group; Senior Associate, KMPG; Audit Report Implementation Committee / Board Audit Committee Member, (Ghana Law School, GIMPA, Institute of Directors, Ghana); Finance Manager, C&J Medical Centre; Accounting Software Implementor, Soft Co. Ltd (now SOFT Tribe).

Gerald Quartey, Director, Credit

Gerald Quartey is the Director, Credit Division. Gerald has over Twenty-one (21) years Post Qualification experience as a Chartered Accountant. A Fellow of the Association of Chartered Certified Accountants (ACCA) and a member Institute of Chartered Accountants (ICA) Ghana. Gerald holds a Bachelor of Arts Degree from the University of Ghana Legon. He has over Twenty-one years Banking experience across various Banks in Ghana with speciality in Credit Analysis and Credit Risk Management. He started his training as a Trainee Auditor with KPMG before moving into the Financial Services Sector. Internal Auditor, (United Bank for Africa Gh Ltd), Head Loan Recoveries and Remedial Management (United Bank for Africa Gh Ltd), Head, Credit Risk Management (United Bank for Africa Gh Ltd), Chief Risk Officer (IFS Financial Services), Head, Credit Risk Management (FBN Bank Ghana Ltd) now FirstBank Plc, Head Internal Control (Heritage Bank Limited), Head of Credit (Heritage Bank Limited), Head of Credit Risk Management (Consolidated Bank Ghana Ltd), Chief Credit Officer (Consolidated Bank Ghana Ltd).
He is also a member of Chartered Institute of Restructuring and Insolvency Practitioners (CIRIP) Ghana.
Gerald has undertaken numerous management and leadership courses from reputable institutions including the London Business School, Crown Agents Uk, Euromoney UK and LRMG Africa.

RISK MANAGEMENT DECLARATION

The Board of Directors ("the Board") of Consolidated Bank Ghana Ltd. ("the Bank") makes the following declarations pursuant to Section 31 of the Bank of Ghana's Risk management Directive:

1. that the Board exercised its ultimate oversight responsibility over risk governance within the period;

2. that the Board understands its critical role in strengthening risk governance that includes setting the "tone at the top," reviewing strategy, and approving the Bank's risk appetite;

3. that the Board has put in place systems for ensuring compliance with all prudential requirements;

4. that the Bank has systems and resources that are in place for identifying, measuring, evaluating, controlling, mitigating and reporting material risks, which are appropriate and commensurate with its size, business mix and complexity;

5. that the risk management and internal control systems in place are operating effectively and are adequate; and

6. that there has been a comprehensive review of the Bank's Risk Management Framework to provide an independent assurance of prudence and sound management of risk within the Bank by an external consultant.

The Bank of Ghana suspended our Foreign Exchange Trading License for a period of one month which was later reduced to two weeks for non- compliance with some provisions of the Foreign Exchange Act, 2006 (Act 723). In view of this development, the Board and Management promptly implemented robust controls within the Forex Trading space. These remedial measures culminated in the restoration of the Foreign Exchange Trading License by the Bank of Ghana.

Additionally, the Bank was cited for partial compliance of AML/CFT&P Guideline during Bank of Ghana's targeted examination conducted in 2023 on the authorization of PEP accounts by management before onboarding. All concerns raised have been duly remediated.

For and on behalf of Consolidated Bank Ghana Ltd.

………………………………………………	………………………………………………
Chairman, Board of Directors	**Member, Board Risk Committee**

Business at a Glance

At Consolidated Bank Ghana Ltd (CBG), our mission is to be the preferred Ghanaian bank, offering a simple, secure, and differentiated banking experience to our customers. Guided by this mission, we aim to be the most trusted and sustainable bank in Ghana, ensuring that we meet the evolving needs of individuals, businesses, society and the environment at large. CBG recognizes the significant challenges posed by climate change globally and embraces its responsibility to drive sustainable economic growth. As one of Ghana's largest financial institutions, with one hundred and eight (108) branches nationwide branches across 14 out of the 16 regions in Ghana, CBG is committed to ensuring that its operations positively impact the environment, society, and economy.

Our sustainability Approach

Our sustainability approach is aligned with the United Nations (UN) Sustainable Development Goals (SDGs), the principles of the UN Global Compact, and the Bank of Ghana Sustainable Banking Principles and Sector-specific Guidance Notes. We are also dedicated to adhering to the Bank of Ghana's Climate-Related Financial Risk Directive to mitigate potential financial risks linked to climate change. As we continue to grow, we remain committed to balancing climate change challenges with the need for economic development, ensuring our contributions drive long-term positive change across Ghana.

About this report

This Sustainability Report highlights CBG's key achievements from January 1 to December 31, 2024, in line with our Sustainability Strategy. It outlines our progress in sustainable finance and material ESG (Environmental, Social, and Governance) areas. Prepared with reference to some Global Reporting Initiative (GRI) Standards, the Ghana Sustainable Banking Principles, and the Sector Guidance Note, this report provides valuable insights into our approach to sustainability, governance, and community impact.

Our sustainability milestones

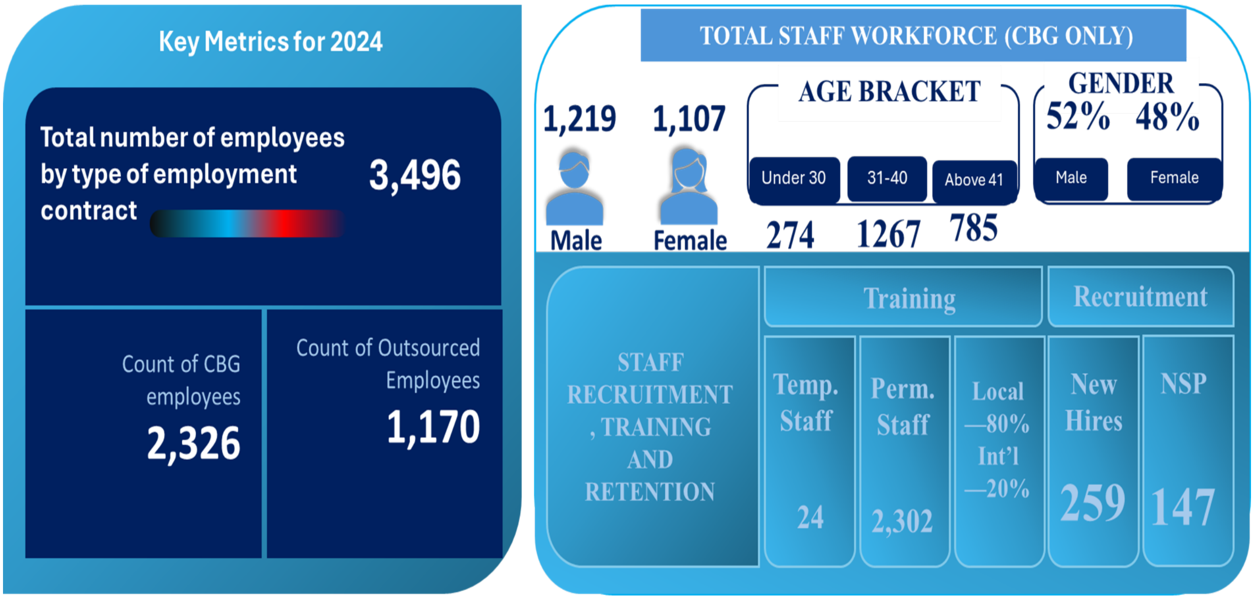
- In partnership with the Forestry Commission, CBG launched a 3-year, 60,000-tree planting project, planting **32,000** trees in 2024 to offset the bank's CO2 emissions
- Bank-wide capacity building through **ESG Awareness Campaign & World Bank Sustainability Training and E-learning Program**
- Implementation of Paperless Project for four(4) key branch processes saving **66,108 sheets** of paper
- Set the Bank's Resource Use **Baseline and Reduction** Targets
- Pilot Solar Energy projects at three (3) branches which accounted for **44% reduction in energy demand** from the national grid.
- Pilot Plastic segregation and recycling Project with **791.51kg plastic waste picked** up for recycling.
- Launch of **CBG Ladies Network** to empower female employees to aspire to leadership
- Construction of **23 boreholes** in deprived communities in support of SDGs 6&11.

Our social performance

i. Our People

At CBG, our people form the cornerstone of our success. Their unwavering dedication, expertise, and innovation have been pivotal in shaping the bank's identity and sustaining our competitive edge in the ever-evolving financial landscape. This report offers an in-depth look at our commitment to empowering employees, driving inclusivity, and nurturing sustainable growth.

Workforce Demographics



As of the end of 2024, CBG's workforce comprised 2,326 employees, reflecting a nearly equal gender split of 1,107 women (48%) and 1,219 men (52%). This gender balance underscores our progress in promoting inclusivity across all levels of the organization. However, recognizing the need for greater representation of women in leadership, we are proud to report that 21.43% of senior leadership roles are now held by women. While this achievement aligns with global benchmarks advocating at least 30% female representation, we remain steadfast in our efforts to further bridge the gap.

Our age demographics reflect a balanced mix of experience and innovation. Mid-career professionals aged 31-40 form the largest group at 54% (1,267 employees), followed by those aged 41-50 (30%, or 690 employees). Young professionals aged 20-30 make up 12% (274 employees), while seasoned experts over 50 represent 4%. This diversity fosters an environment where fresh ideas meet seasoned insights, driving innovation and ensuring stability. CBG's commitment to inclusivity extends beyond gender. In 2024, we employed two (2) individuals with disabilities, a step toward creating a workforce that reflects the diverse society we serve. To further advance our diversity agenda, we launched several key initiatives:

- CBG Ladies Network empowers female employees through peer support, mentoring, and leadership development.
- EmpowHer Training Program nurtures high-potential female employees with specialized training and career advancement opportunities.
- Women in Tech Project partnered with GIZ and Jobberman Ghana to provide tech training and mentorship to ten female graduates.

i. Our People (continued)

Recruitment and Retention

Recruiting and retaining top talent is at the heart of CBG's people strategy. In 2024, we welcomed 259 new hires and 147 national service personnel, with an impressive retention rate of 17.6% for service personnel—well above industry averages. Since 2020, CBG has onboarded 152 fresh graduates, demonstrating our commitment to youth development and talent cultivation.

Learning and Development

At CBG, we are committed to fostering a culture of continuous learning. In 2024, CBG achieved 100% training coverage for full-time employees and provided training to 1,170 outsourced staff. Of the 178 training programs conducted, 80% were local, while 20% were international, ensuring a blend of global best practices and local relevance. In 2024, a good 62% of employees used the Bank's digital learning platform, AdesuaHub, with an 89% course completion rate. We invested 7% of our annual payroll in learning and development and have developed 16 high-potential individuals through the Management Trainee program since the inception of CBG. Participants are equipped with the skills and knowledge needed to assume future leadership roles.

ii. Our Community Impacts through Corporate Social Responsibility (CSR)

In 2024, CBG focused its CSR efforts on SDGs 3 (Good Health), 4 (Quality Education), 11 (Sustainable Communities) and 6 (Clean Water & Sanitation), investing GHS9.2 million in community projects. Key initiatives included upgrading Larteh Health Centre to a polyclinic, construction of sickbays for Berekum and Mpraeso High Schools, providing 30 computers and 50 laptops to schools, and constructing 23 boreholes for clean water access in deprived communities like Lambussie Constituency, Sissala East Municipality, Wa West District, Techiman South, and the Oti Region. These projects reached 150,000 people and created approximately 1,200 jobs in sectors like healthcare, education, and construction. CBG's strategic investments and partnerships delivered sustainable benefits, reaffirming our commitment to promoting inclusive development and positively impacting local communities.

iii. Our environmental performance

Strengthening Commitment to Sustainable Finance

At CBG, we understand the critical role of proactive environmental and social risk management in advancing sustainable development within our society. Our Environmental and Social Risk Management (ESRM) system enables us to effectively identify, evaluate, manage, and monitor environmental risks associated with our lending and financing activities. This approach guided by our board-approved ESRM Procedure manual not only mitigates overall risk exposure but also supports the broader objective of sustainable development by encouraging ethical and responsible business practices.

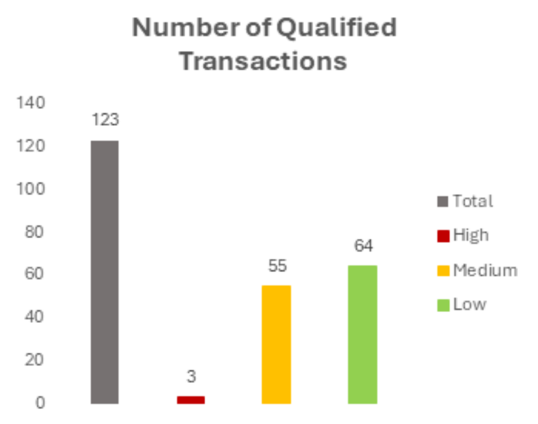
The ESRM incorporates key components such as ESMS governance standards, a dedicated implementation unit, the bank's exclusion list, and tools for environmental and social risk screening. Through this structured framework, we carefully evaluate and address environmental and social risks at every stage of our business transactions, from pre-credit assessment to transaction close-out. This ensures we minimize potential negative impacts on the environment and society.

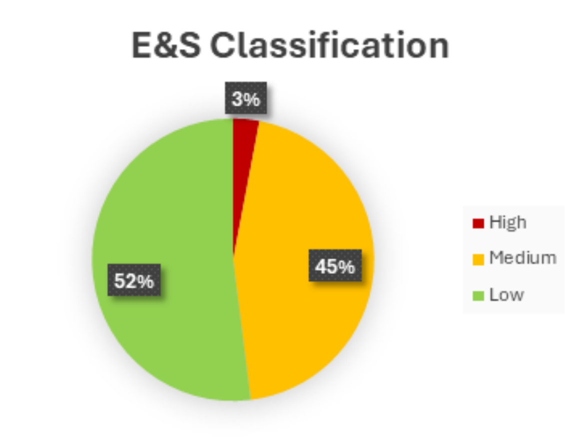
Our commitment to robust risk management practices is demonstrated by our adherence to international best practices, including the IFC Performance Standards, and compliance with national regulations such as the Ghana Sustainable Banking Principles (GSBPs).

iii. Our environmental performance (continued)

Screening of Credit Applications

In 2024, a total of one hundred and twenty-three (123) transactions were assessed, with efforts focused on mitigating environmental and social risks thereby enhancing sustainable practices. A further analysis of the transactions according to the scale, severity of Environmental & Social (E&S) risks and impacts classification, revealed that sixty-four (64) qualifying transactions, which corresponded to 52% in the Low risk category, fifty-five (55) qualifying transactions representing 45% in the medium risk category, while three (3) transactions representing 3% were in the High risk category on CBG's E&S risk classification.





Energy Efficiency and Adoption of Cleaner Energy Source

According to the Principle 2 of Ghana Sustainable Banking Principles, "it is important that a bank promotes good E&S practices in its own internal business operations to uphold the standards that it will require of its clients, in other words that it is "walking the talk". In 2024, CBG focused on enhancing energy efficiency and reducing greenhouse gas (GHG) emissions across its facilities. Initiatives included implementing conservation systems for energy, water, and consumables, as well as phasing out 33 outdated vehicles. Energy demand in our buildings was managed by replacing outmoded components like earthing, AVRs, UPS and upgrading power distribution components at 31 locations. We installed energy efficient capacitor banks at two (2) critical locations, resulting in a monthly reduction of 22,667 kWh. Additionally, CBG piloted solar energy projects at three (3) branches and one offsite ATM, generating 100 kWh of clean energy and reducing energy demand from the national grid by 44%.

In technology operations, CBG transitioned from desktops to optimize energy use, reduce electronic waste, and support flexible work environments. Comprehensive data centre cleanup improved energy efficiency and reduced operational costs. The shift to paperless processes further reduced paper consumption, while remote support services for branches minimized travel-related emissions, enhancing operational efficiency.

Tree Planting Project

At CBG, we recognize that our day-to-day operations contribute to the country's emissions leading to climate change and its impact. To offset some emissions in operations, CBG signed a Memorandum of Understanding with Forestry Commission to plant 60,000 trees over a 3-year period in June 2024. In 2024, the Bank through its employee volunteering and partnership with Forestry Commission planted 32,219 trees in a degraded forest in Southern Scarp Forest Reserve with average percentage survival rate of 93%. Employee volunteering hours achieved was 1148. CBG continues to demonstrate commitment to support Ghana's Nationally Determined Contributions (NDCs) by contributing to climate change mitigation efforts and environmental improvement.

Waste Efficiency Management

At CBG, we aim to implement a more effective waste management approach using the 3 Rs; Reduce, Reuse, and Recycle. In 2024, plastic waste segregation and recycling project was introduced to reinforce the Bank's dedication to a circular economy. We piloted plastic waste segregation in partnership Jospong Group of Companies at our three (3) head office locations (Head Office at Airport, Head Office Annex-Shiashie and Blackmore-Kokomlemle). As of December 2024, a total of 791.51 kgs of plastic waste has been picked up by Jospong for recycling. These initiatives align with our strategy to effectively manage resource consumption and environmental stewardship, SDG 12 (Responsible Consumption and Production) and Ghana Sustainable Banking Principle 6.

iv. Our corporate governance and ethical standards

At Consolidated Bank Ghana Ltd (CBG), upholding good corporate governance and high ethical standards is fundamental to the sustainability of our operations. We believe that maintaining a strong ethical foundation in our day-to-day business activities fosters trust, transparency, and integrity. To guide and enforce these principles, the Bank adopted and continues to strengthen policies such as the Code of Ethics, Anti-Bribery and Corruption Policy, Anti-Money Laundering Policy, Fraud and Operational Loss Procedural Manual, Whistleblower Policy and CBG Code of conduct for Vendor and Supplier.

In 2024, CBG focused on several key areas to ensure ethical conduct within the Bank. In the area of Anti-Corruption and Fraud Risk Management, we have implemented advanced monitoring tools to detect and prevent fraud across our major channels, with employee activity being closely monitored to mitigate fraud risk. Additionally, 119 training sessions were conducted on Anti-Money Laundering, Combating the Financing of Terrorism, and Proliferation (AML/CFT & P) across various branches and departments, ensuring that 95% of our staff, including the Board and senior management, are trained on these critical matters. We also maintained a robust whistleblowing system that allows staff, customers, vendors, and other stakeholders to report unethical behavior anonymously. This system is managed independently to ensure impartiality in handling complaints. Furthermore, CBG prioritizes data privacy and cybersecurity, with a dedicated Data Protection Supervisor overseeing customer information management and an Information Security team safeguarding the Bank's digital assets.

The bank is fully owned by the Ministry of Finance and currently

v. Advancing innovative and inclusive banking

CBG is committed to driving business growth and creating job opportunities in Ghana. This dedication is reflected in our development of tailored financial products and services designed to provide seamless access to funding for Micro Small and Medium Enterprises (MSMEs). Our offerings, including Solo Loan, SMART Term Loan and SME Advanced, reinforce our unwavering commitment to empowering micro, small, and medium-sized enterprises, enabling them to succeed in today's competitive market. The Bank extended over GHS 360 million

v. Advancing innovative and inclusive banking (continued)

new loans and advances to MSMEs.

A total of 199,746 customers benefited from digital loans amounting GHS155,251,480. As part of our digital banking drive, the Bank onboarded 71,056 users on USSD Banking, 1,781 on internet banking and 29,629 on Mobile banking in 2024. Through our inclusive banking initiatives, we strive to bridge the gap between traditional banking institutions and individuals who have limited access to formal financial services. By fostering greater financial inclusion, CBG contributes to the overall socio-economic development of Ghana, promoting resilience, empowerment, and prosperity for all segments of society. In addition to our physical branches across 14 regions of Ghana, we maintain an extensive network of 101 Automated Teller Machines (ATMs) within our branches, complemented by 17 offsite ATMs. This vast ATM network enhances our ability to deliver seamless banking services, enabling individuals and businesses across Ghana to conduct financial transactions with ease.

Lastly, on promoting inclusive and equitable quality education (SDG 4), the Bank's SME Clinic is an outreach program aimed at promoting and increasing financial literacy, especially for our SME customer base. The SME clinics held in 2024 recorded a total of 248 participants with a 74% female participation. SME Participants in Kumasi, Sunyani, Techiman, Wa, Bolgatanga and Tamale were given knowledge in bookkeeping, basic accounting, budgeting, etc.

In conclusion, CBG remains committed to sustainable practices, environmental stewardship, and operational efficiency, aligning with global sustainability goals and enhancing the bank's long-term impact on both the environment and business operations.

Deloitte.

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Independent Auditor's Report

To the shareholders of Consolidated Bank Ghana Ltd

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Consolidated Bank Ghana Ltd, set out on pages 41 to 126, which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, the notes to the financial statements, including a summary of material accounting policy information and other explanatory disclosures.

In our opinion, the financial statements give a true and fair view of the financial position of Consolidated Bank Ghana Ltd as at 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB) with the IAS 29 directive issued by the Institute of Chartered Accountants Ghana, the requirements of the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit Taking-Institutions Act, 2016 (Act 930).

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 are independent of the Bank in accordance with the requirements of the International Ethics Standards Board for Accountants' (IESBA), International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) and other independence requirements applicable to performing audits of financial statements in Ghana. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of financial statements in Ghana.

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, 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 financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Independent auditor's report

To the shareholders of Consolidated Bank Ghana Ltd

Key Audit Matter	How our audit addressed the Key Audit Matter
Impairment allowance on loans and advances	
As at 31 December 2024, the bank's loan and advances portfolio was GHS 2.373 billion (2023: GHS 2.276 billion) with an associated expected credit losses ("ECL" or "loss allowance") of GHS 316 million (2023: GHS 322 million). As described in notes 2.8, 3.2, 4, 11, and 18 to the financial statements, ECL represents a complex accounting estimate and involves management's evaluation of probable loan losses expected to be incurred over the life of the loan. ECL was considered to be a key audit matter due to the level of significant judgement applied by management in its determination and the increased uncertainty related to the impact of local economic challenges. The assumptions with the most significant impact on the cash flow forecast were; - Determining the staging of financial assets of the Bank which includes establishing groups of similar financial assets - Determining criteria for significant increase in credit risk. - Determination of the probability of default (PD) and Loss Given Default (LGD), which includes establishing the relative weightings of forward-looking scenarios for each type of loan and the associated Expected Credit Loss (ECL). The disclosures relating to impairment of loans and advances to customers, which are included in notes to the financial statements, are considered important to the users of the financial statements given the level of judgement and estimation involved.	We performed the following procedures with the assistance of our credit specialists: • Obtained an understanding of management's processes around the measurement of the ECL including management's modelling methodology and assumptions. • We evaluated the design and tested the implementation and operating effectiveness of the key controls over the computation of impairment loss. In evaluating the design of controls, we considered the appropriateness of the control considering the nature and significance of the risk, competence and authority of person(s) performing the control, frequency and consistency with which the control is performed. • In performing operating effectiveness of controls, we selected a sample of transactions based on the control frequency to determine whether the control operated effectively during the year. • We performed an evaluation of management's key assumptions over the expected credit loss model (ECL), including the probability of default and the Loss Given Default. • We challenged management's staging of its financial assets in the ECL module and tested facilities to ensure they have been included in the correct stage. • Assessed the reasonability of the model's Forward- Looking Information (FLI) Adjustment being applied on PD through inspection of management documentation and evidence provided. • We tested the underlying calibration data behind the determination of the probability of default by agreeing same to underlying supporting documentation. • We further tested the disclosures to ensure that the required disclosures under IFRS 9 have been appropriately disclosed. • We further assessed as appropriate the classifications of the Bank's loans and advances in accordance with Bank of Ghana, prudential guidelines and the transfer of any excess provision over the IFRS computed provisions to the regulatory credit Risk Reserve. Based on the procedures described above, we found management's estimate to be reasonable.

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Independent auditor's report
To the shareholders of Consolidated Bank Ghana Ltd

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed the Key Audit Matter</th></tr>
<tr><td>Impairment of Government of Ghana (GoG) Debt instruments - Eurobonds</td><td></td></tr>
<tr><td>On June 24, 2024, the Government of Ghana (GoG) announced an Agreement in Principle (AIP) with Eurobond holders to restructure its external debt.

The new bonds were issued to participating bondholders on October 9, 2024, finalizing the exchange process and marking a significant step toward restoring Ghana's debt sustainability.

As at 31 December 2024, the bank's investment in GoG debt instruments (Eurobond) was GHS 545 million (2023: 631 million) with an associated expected credit losses ("ECL" or "loss allowance") of GHS 105 million (2023: GHS 257 million).

The accounting policies, critical estimates and judgements related to GoG Debt instruments are described in notes 2.8, 3.2, 4, and 16 to the financial statements.

The areas of significant judgment within the ECL process includes:

The determination of cashflows of the new bonds in accordance with the financial terms of the new bonds.
Whether an appropriate discount rate is used to calculate the Estimated credit loss of the relevant government bonds.
The determination of the discount rate is complex as the new bonds do not have an active trading market.
Whether there is increased credit risk around other instruments issued by the Government of Ghana

Whether the disclosures around the impairment of these investments are considered relevant to the users of the financial statement and in accordance with the applicable accounting standards.</td><td>We performed the following procedures on the assessment of impairment of GoG Debt instruments with the assistance of our credit specialists:

• Updated our understanding of management's processes around the measurement of the ECL including management's modelling methodology and incorporation of assumptions.

• Evaluated the design and tested the implementation of relevant controls relating to the government bonds.

• Reviewed the appropriateness of management judgements/assumptions used in the determination of the discount rates.

• Reviewed the staging of different instruments to confirm alignment with the Central bank's directives on DEP.

• Independently determined the cashflows from the new bonds and determined their present values using the discount rate.

• Compared the results of the discounted cash flows with the carrying value of bonds.

• Recognized the difference between the discounted cash flows and the carrying value of bonds as impairment loss.

Based on the procedures described above, we found management's assessment of the impairment of GoG Debt instruments to be reasonable.</td></tr>
</table>

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Independent auditor's report
To the shareholders of Consolidated Bank Ghana Ltd

Other Matter

The financial statements of the Consolidated Bank Ghana Ltd for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those financial statements on 27 March 2024.

Other information

The directors are responsible for the other information. The other information comprises the Report of the Board of Directors, Corporate Governance Framework and the Value-Added Statement, which we obtained prior to the date of this report. The other information 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 and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information 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 obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, the requirements of 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's or to cease operations, or have no realistic alternative but to do so.

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 this financial statements.

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

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Independent auditor's report

To the shareholders of Consolidated Bank Ghana Ltd

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.

- 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Deloitte.

Independent auditor's report
To the shareholders of Consolidated Bank Ghana Ltd

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year 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

In accordance with the Seventh Schedule of the Companies Act, 2019 (Act 992) we expressly state that:

1. We have obtained the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit.

2. In our opinion:
   - proper books of accounts have been kept by the Bank, so far as appears from our examination of those books.

   - the information and explanations given to us, were in the manner required by the Companies Act, 2019 (Act 992) and give a true and fair view of the:
     a. statement of financial position of the Bank at the end of the financial year, and
     b. statement of profit or loss and other comprehensive income for the financial year.

3. The Bank's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the accounting records and returns.

4. We are independent of the Bank, pursuant to Section 143 of the Companies Act, 2019 (Act 992).

The Banks and Specialized Deposit-Taking Institution Act, 2016 (Act 930) requires that we state certain matters in our report. We hereby state that:

1. We confirm that the accounts give a true and fair view of the state of the affairs of the Bank and the results of operations for the year under review.

2. We were able to obtain all the information and explanation required for the efficient performance of our duties as auditors.

3. We confirm that the transactions of the Bank were within its powers.

4. In our opinion, the Bank has generally complied with the provisions of the Anti-Money Laundering Act, 2020 (Act 1044), as amended by the Anti-Money Laundering (Amendment) Act, 2014 (Act 874), the Anti-Terrorism Act, 2008 (Act 762) and Regulations made under these enactments.

5. The Bank has generally complied with the provisions of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

6. The Bank has generally complied with the requirements of the Bank of Ghana Governance Disclosure Directive, 2022.

Deloitte.

Independent auditor's report
To the shareholders of Consolidated Bank Ghana Ltd

The engagement partner on the audit resulting in this independent auditor's report is **Charlotte Forson-Abbey (ICAG/P/1509).**

Deloitte & Touche

For and on behalf of Deloitte & Touche (ICAG/F/2025/129)
Chartered Accountants
The Deloitte Place
Plot No.71
Off George Walker Bush Highway
North Dzorwulu
Accra – Ghana

8th April **2025**

Partners and Chartered Accountants: D Owusu • G Ankomah • C Forson- Abbey • A Biney • G Boye-Doku • E Martey • K Situ • Y Lartey • G Ayi - Owoo • S Dzogbenuku • Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

CONSOLIDATED BANK GHANA LTD

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2024

(All amounts are in thousands of Ghana cedis)

	Note	2024	Restated 2023
Interest income	5	**2,065,434**	1,734,503
Interest expense	6	**(922,247)**	(1,071,700)
Net interest income		**1,143,187**	662,803
Fee and commission income	7	**271,439**	174,869
Fee and commission expense	8	**(27,343)**	(17,641)
Net fee and commission income		**244,096**	157,228
Net trading income	9	**150,807**	130,749
Other operating income	10	**40,902**	5,018
Operating income		**1,578,992**	955,798
Impairment gains on loans and advances	11	**4,130**	23,142
Impairment gains on other financial assets	11	**25,884**	(646,312)
Personnel expenses	12	**(721,723)**	(505,999)
Depreciation and amortization	21	**(120,501)**	(94,422)
Other expenses	13	**(606,724)**	(445,091)
Profit/(Loss) before income tax and levies		**160,058**	(712,884)
Income tax (charge)/credit	14	**(54,051)**	171,747
Financial sector recovery levy	14	**(9,286)**	-
Growth and sustainability levy	14	**(8,003)**	-
Profit/(Loss) for the year		**88,719**	**(541,137)**
Other comprehensive income:			
Other comprehensive income		-	-
Total comprehensive Profit/(loss)		**88,719**	(541,137)

The notes on pages 45 to 125 are an integral part of these financial statements.

CONSOLIDATED BANK GHANA LTD

STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

(All amounts are in thousands of Ghana cedis)

	Note	At 31 December 2024	Restated 2023
Assets			
Cash and bank balances	15	**2,405,366**	2,069,471
Investment securities	16	**10,318,892**	8,311,771
Non-pledged trading assets	17	**77,867**	2,954
Loans and advances to customers	18	**2,056,709**	1,954,052
Current income tax asset	14	**18,011**	9,251
Other assets	23	**537,617**	259,667
Intangible assets	19	**94,842**	89,914
Right-of-use asset	20	**130,357**	107,330
Deferred income tax assets	22	**657,251**	711,259
Property and equipment	21	**341,145**	178,060
Total assets		**16,638,057**	13,693,729
Liabilities			
Deposits from customers	24	**12,987,313**	10,428,028
Borrowed funds	25	**1,131,795**	979,702
Other liabilities	26	**1,079,782**	959,125
Lease liabilities	20	**144,707**	121,133
Total liabilities		**15,343,597**	12,487,988
Equity			
Stated capital	27	**3,087,546**	3,087,546
Retained earnings	27	**(1,931,260)**	(1,975,620)
Statutory reserve	27	**138,174**	93,815
Total equity		**1,294,460**	1,205,741
Total equity and liabilities		**16,638,057**	13,693,729

The order of liquidity in the statement of financial position has been changed in the current financial period.

The notes on pages 45 to 125 are an integral part of these financial statements.

The financial statements of the Bank were approved by the Board of Directors on March 20, 2025, and signed on their behalf by:

....
Yaw Asamoah (Chairman)

....
Daniel Wilson Addo (Managing Director

CONSOLIDATED BANK GHANA LTD

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2024

(All amounts are in thousands of Ghana cedis)

	Stated Capital	Retained earnings	Statutory reserve	Total
Balance at 1 January 2024	**3,127,784**	**(1,975,620)**	**93,815**	**1,245,979**
Prior year adjustment	(40,238)	-	-	(42,062)
Restated Opening balance	**3,087,546**	**(1,975,620)**	**93,815**	**1,203,917**
Profit for the year	-	88,719	-	88,719
Fair value adjustment on investment securities	-	-	-	-
Total comprehensive income for the year	-	88,719	-	**88,719**
Regulatory and other reserve transfers				
Transfer to statutory reserve	-	(44,359)	44,359	-
Net transfer to reserves	-	(44,359)	44,359	-
Transactions with owners				
Transaction costs on capital raised	-	-	-	-
Net Transactions with owners	-	-	-	-
Balance at 31 December 2024	**3,087,546**	**(1,931,260)**	**138,174**	**1,294,460**

	Stated Capital	Retained earnings	Statutory reserve	Total
Balance at 1 January 2023	627,784	(1,434,482)	93,815	(712,883)
Loss for the year	-	(541,138)	-	(541,138)
Fair value adjustment on investment securities	-	-	-	-
Total comprehensive loss for the year	-	(541,138)	-	(541,138)
Regulatory and other reserve transfers				
Transfer to statutory reserve	-	-	-	-
Net transfer to reserves	-	-	-	-
Transactions with owners				
Additional capital issued	2,500,000	-	-	2,500,000
Transaction costs on capital raised (restated)	(40,238)	-	-	(40,238)
Net Transactions with owners (restated)	2,459,762	-	-	2,459,762
Balance at 31 December 2023	3,087,546	(1,975,620)	93,815	1,205,741

The notes on pages 45 to 125 are an integral part of these financial statements.

CONSOLIDATED BANK GHANA LTD

STATEMENT OF CASH FLOWS
For the year ended 31 December 2024

(All amounts are in thousands of Ghana cedis)

	Note	2024	Restated 2023
Cash flow generated from/(used in) operations	32	**648,849**	(2,099,373)
Interest received		**1,950,136**	2,857,479
Interest paid		**(886,978)**	(1,197,548)
Taxes and levies paid	14	**(29,641)**	-
Net cash flow generated from/(used in) operating activities		**1,682,366**	(439,442)
Cash flow from investing activities			
Acquisition of property and equipment	21	**(215,045)**	(86,142)
Proceeds from disposal of property and equipment	21	**2,280**	1,144
Acquisition of intangible assets	19	**(24,236)**	(3,244)
Net cash flow used in investing activities		**(237,001)**	(88,242)
Cash flow from financing activities			
Payment of fees related to capital raising		**(40,238)**	-
Payment of principal portion of lease liabilities		**(63,948)**	(71,854)
Net cash flow used in financing activities		**(104,186)**	(71,854)
Net increase in cash and cash equivalents		**1,341,179**	(599,538)
Cash and cash equivalents at beginning of the year		**2,414,450**	2,849,146
Effect of exchange rate changes on cash and cash equivalents held		**132,752**	164,842
Cash and cash equivalents at 31 December	15	**3,888,381**	2,414,450

The notes on pages 45 to 125 are an integral part of these financial statements.

1. General information

Consolidated Bank Ghana LTD (the Bank) is a limited liability company incorporated and domiciled in Ghana. The registered office is 1st Floor, Manet Towers 3, P. O. Box PMB CT 363, Cantoments, Accra. The Bank commenced universal banking operations in August 2018 and operates under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

2. Summary of material 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 consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS Accounting Standards as issued by the International Accounting Standards Board") 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 financial statements were authorised for issue by the Board of Directors on March 20, 2025.

The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). They have been prepared under the historical cost convention, except as disclosed in the accounting policy.

The ICAG issued a directive in November 2023 to accountants in business and accountants in practice, together with an update in January 2024 on the application of IAS 29 in Ghana. The ICAG asserts in the directive that based on its analysis of the quantitative and qualitative indicators referred to in IAS 29, Ghana was not a hyperinflationary economy as of December 2024, therefore, IAS 29 will not be applicable for December 2024 financial reporting period. In compliance with the directive, the financial statements of the Bank, including the comparative figures, have not been stated in terms of the measuring unit current at the end of the reporting period.

The preparation of the 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 4.

2.1.1 Changes in accounting policies and disclosures

(a) New and amended standards adopted by the Bank

The Bank has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2024.

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

The bank has adopted the amendments to IAS 1, published in January 2020, for the first time in the current year. The amendments affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

2. Summary of material accounting policies (continued)
2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policies and disclosures (continued)

(a) New and amended standards adopted by the Bank (continued)

The amendments did not have an impact on the group's statement of financial position, which is presented in order of liquidity

(ii) Amendments to IAS 1— Non-current Liabilities with Covenants

The bank has adopted the amendments to IAS 1, published in November 2022, for the first time in the current year. The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period.

This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

The amendments did not have an impact on the bank's statement of financial position, which is presented in order of liquidity.

(iii) Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures titled Supplier Finance Arrangements

The bank has adopted the amendments to IAS 7 and IFRS 7 titled Supplier Finance Arrangements for the first time in the current year.

The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 is amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk

(iv) Amendments to IFRS 16 Leases—Lease Liability in a Sale and Leaseback

The bank has adopted the amendments to IFRS 16 for the first time in the current year.

2. Summary of material accounting policies (continued)
2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policies and disclosures (continued)

(a) New and amended standards adopted by the Bank (continued)

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 Revenue from Contracts with Customers to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date.

The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognised a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate.

As part of the amendments, the IASB amended an Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also clarify that the liability that arises from a sale and leaseback transaction that qualifies as a sale applying IFRS 15 is a lease liability.

A seller-lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, which is defined as the beginning of the annual reporting period in which the entity first applied IFRS 16.

(b) Standards issued but not yet effective

Certain new accounting standards and interpretations have been published that are not effective for 31 December 2024 reporting period 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.

i. Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability

The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not. The amendments state that a currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. An entity assesses whether a currency is exchangeable into another currency at a measurement date and for a specified purpose. If an entity is able to obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose, the currency is not exchangeable into the other currency. The assessment of whether a currency is exchangeable into another currency depends on an entity's ability to obtain the other currency and not on its intention or decision to do so. When a currency is not exchangeable into another currency at a measurement date, an entity is required to estimate the spot exchange rate at that date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions.

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policies and disclosures (continued)

(b) Standards issued but not yet effective (continued)

The amendments do not specify how an entity estimates the spot exchange rate to meet that objective. An entity can use an observable exchange rate without adjustment or another estimation technique. Examples of an observable exchange rate include:

- a spot exchange rate for a purpose other than that for which an entity assesses exchangeability
- the first exchange rate at which an entity is able to obtain the other currency for the specified purpose after exchangeability of the currency is restored (first subsequent exchange rate)

An entity using another estimation technique may use any observable exchange rate—including rates from exchange transactions in markets or exchange mechanisms that do not create enforceable rights and obligations—and adjust that rate, as necessary, to meet the objective as set out above.

When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, the entity is required to disclose information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments add a new appendix as an integral part of IAS 21. The appendix includes application guidance on the requirements introduced by the amendments. The amendments also add new Illustrative Examples accompanying IAS 21, which illustrate how an entity might apply some of the requirements in hypothetical situations based on the limited facts presented. In addition, the IASB made consequential amendments to IFRS 1 to align with and refer to the revised IAS 21 for assessing exchangeability.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025, with earlier application permitted. An entity is not permitted to apply the amendments retrospectively. Instead, an entity is required to apply the specific transition provisions included in the amendments. The directors of the company anticipate that the application of these amendments may have an impact on the group's consolidated financial statements in future periods.

(ii) IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- improve aggregation and disaggregation

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

2. Summary of significant accounting policies (continued)

(iii) IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements.

A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

An entity is only permitted to apply IFRS 19 if, at the end of the reporting period:

- it is a subsidiary (this includes an intermediate parent)
- it does not have public accountability, and
- its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards

A subsidiary has public accountability if

- its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets), or
- it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses (for example, banks, credit unions, insurance entities, securities brokers/dealers, mutual funds and investment banks often meet this second criterion).

Eligible entities can apply IFRS 19 in their consolidated, separate or individual financial statements. An eligible intermediate parent that does not apply IFRS 19 in its consolidated financial statements may do so in its separate financial statements.

The new standard is effective for reporting periods beginning on or after 1 January 2027 with earlier application permitted. If an entity elects to apply IFRS 19 for a reporting period earlier than the reporting period in which it first applies IFRS 18, it is required to apply a modified set of disclosure requirements set out in an appendix to IFRS 19. If an entity elects to apply IFRS 19 for an annual reporting period before it applied the amendments to IAS 21, it is not required to apply the disclosure requirements in IFRS 19 with regard to Lack of Exchangeability.

The directors of the bank do not anticipate that IFRS 19 will be applied for purposes of the consolidated financial statements of the bank.

(iv) Amendments to IFRS 9 and 7

On 30 May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 Financial Instruments.

Amendments to IFRS 9 and 7 (continued)

Amendments to IFRS 9 *Financial Instruments*

- the own-use requirements in IFRS 9 are amended to include the factors an entity is required to consider when applying IFRS 9:2.4 to contracts to buy and take delivery of renewable electricity for which the source of production of the electricity is nature-dependent; and
- the hedge accounting requirements in IFRS 9 are amended to permit an entity using a contract for nature-dependent renewable electricity with specified characteristics as a hedging instrument:
    - to designate a variable volume of forecast electricity transactions as the hedged item if specified criteria are met; and
    - to measure the hedged item using the same volume assumptions as those used for the hedging instrument.

The IASB issued Amendments to the Classification and Measurement of Financial Instruments in response to feedback received as part of the post-implementation review of the classification and measurement requirements in IFRS 9 Financial Instruments and related requirements in IFRS 7 Financial Instruments: Disclosures.

The IASB amended the requirements related to:

- settling financial liabilities using an electronic payment system; and
- assessing contractual cash flow characteristics of financial assets, including those with environmental, social and governance (ESG)-linked features.

The IASB also amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs.

Amendments to IFRS 7 Financial Instruments: Disclosures and IFRS 19 Subsidiaries without Public Accountability: Disclosures

The IASB amends IFRS 7 and IFRS 19 to introduce disclosure requirements about contracts for nature-dependent electricity with specified characteristics.

The amendments are effective for reporting periods beginning on or after 1 January 2026.

The directors of the bank do not anticipate that IFRS 19 will be applied for purposes of the consolidated financial statements of the bank.

2.2 Foreign currency translation

(a) 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.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the closing inter-bank mid rates at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss as part of net trading income.

2.3 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. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate, but not future credit losses.

The carrying amount of the financial asset or financial liability is adjusted if the Bank revises its estimates of payment or receipts. The adjusted carrying amount is calculated on the original effective interest rate and the change in the carrying amount is recorded as modification gain or loss.

2.4 Fee and commission income and expense

The Bank provides banking services to retail and corporate customers, including account management, provision of overdraft facilities, credit card and servicing fees.

Fees and commissions are recognised on an accrual basis when the related services are performed and the performance obligations associated with the contracts are delivered. The Bank reviews its contracts within different revenue streams to identify, separate and measure the components within the scope of IFRS 15. Loan commitment fees for loans that are not likely to be drawn down are deferred, together with related direct costs and recognised on ia straight-line basis over the commitment period. Fees and commission expenses, which relate mainly to transaction and service fees, are expensed as the related services are received.

2.5 Net trading income

Net trading income comprises gains less losses relating to trading assets and liabilities, including realised and unrealised fair value changes, interest and foreign exchange differences.

2.6 Leases

The Bank leased various offices, branches, and other premises under non-cancellable lease arrangements. The lease typically ran for a period of up to five years with an option to renew the lease after that date.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants 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.

2.6 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
- make 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 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.

Extension and termination options are included in a number of property and equipment 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 lessors.

2.7 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 directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. They establish provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. 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.

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income or directly to equity. In this case the tax is also recognised in other comprehensive income or directly in equity respectively.

2.7 Income tax

Deferred tax

Deferred tax is provided in full using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

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

Deferred Tax (continued)

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.

Levies and similar charges

The Bank recognises the liability arising from levies and similar charges (such as Growth and Stabilization Levy and Financial Sector Recovery Levy) when it becomes legally enforceable, which is on 31 December each year. Growth and Stabilization Levy and Financial Sector Recovery Levy are determined and payable according to the appropriate legislative enactments in Ghana.

2.8 Financial assets and liabilities

2.8.1 Financial assets

i) Classification and subsequent measurement

The Bank has applied 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:

a) Fair value through profit or loss (FVPL): 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.

b) 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.

c) 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.

2. Summary of significant accounting policies (continued)

2.8 Financial assets and liabilities (continued)

2.8.1 Financial assets (continued)

Debt instruments (continued)

(i) Classification and subsequent measurement (continued)

The above classifications are done using:

Business model: The 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.

SPPI: 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.

(ii) Impairment

The Bank assesses on a forward-looking basis the expected credit losses ('ECL') associated with its debt instrument assets carried at amortised cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. The 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.

Refer to note 3.2 for further details on the impairment process of financial assets.

2. Summary of significant accounting policies (continued)

2.8 Financial assets and liabilities (continued)

2.8.1 Financial assets (continued)

Debt instruments (continued)

(iii) Modification of loans (continued)

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.
- 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.
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).

(iv) De-recognition other than on a modification

The Bank derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Bank neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial 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.

2. Summary of significant accounting policies (continued)

2.8 Financial assets and liabilities (continued)

2.8.1 Financial assets (continued)

Debt instruments (continued)

Financial guarantee contracts and loan commitments

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

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

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

Loan commitments provided by the Bank are measured as the amount of the loss allowance. The Bank has not provided any commitment to provide loans at a below-market interest rate, or that can be settled net in cash or by delivering or issuing another financial instrument.

For loan commitments and financial guarantee contracts, the loss allowance is recognised as a provision. 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, 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.

2.8.2 Financial liabilities

i) Classification

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

ii) 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.

iii) 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.

1. Summary of significant accounting policies (continued)

2.8 Financial assets and liabilities (continued)

2.8.3 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.

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 fair value of a demand deposit is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

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.

2.8.4 Repurchase and reverse repurchase agreements

Securities may be lent subject to a commitment to repurchase it at a specified date ('a repo'). Such securities are not derecognised but retained on the statement of financial position when substantially all the risks and rewards of ownership remain with the Bank. Any cash received, including accrued interest, is recognised on the statement of financial position reflecting its economic substance as a loan to the Bank.

Conversely, securities borrowed or purchased securities subject to a commitment to resell at a specified date (a 'reverse repo') is not recognised on the statement of financial position as the transactions are treated as collateralised loans. However, where the securities borrowed is sold to third parties, the obligation to repurchase the securities is recorded as a trading liability at fair value and any subsequent gain or loss included in net trading income.

2. Summary of significant accounting policies (continued)

2.8 Financial assets and liabilities (continued)

2.8.5 Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Bank has a legal right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from a group of similar transactions such as in the Bank's trading activity.

2.8.6 Collateral

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 counterparties. 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.

2.8.7 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with the Central Bank and highly liquid financial assets with original maturities of three (3) 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.

2.8.8 Loans and advances

'Loans and advances' are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Bank does not intend to sell immediately or in the near term. Loans and advances to banks are classified as hold to collect.

The financial asset is held within a business model with the objective to hold financial assets to collect contractual cash flows. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Loans and advances are initially measured at fair value plus incremental direct transaction costs and subsequently measured at their amortised cost using the effective interest method. Loans and advances also include finance lease receivables in which the Bank is the lessor. For the current year, the financial statement consists of only amortised cost instruments. Currently, there are no finance lease receivables.

When the Bank purchases a financial asset and simultaneously enters into an agreement to resell the asset (or a substantially similar asset) at a fixed price on a future date (reverse repo or stock borrowing), the arrangement is accounted for as a loan or advance, and the underlying asset is not recognised in the Bank's financial statements.

2.8.9 Investments

This comprises investments in short-term, medium term, and long-term investments in Government and other securities such as open market operations (OMO) instruments, treasury bills and bonds. Investments in securities are categorised as FVTPL or Amortised cost.

2. Summary of significant accounting policies (continued)

2.8.9 Investments (continued)

Debt and/or equity investment securities mandatorily measured at FVTPL

These are at fair value with changes recognised immediately in profit or loss

Debt investment securities measured at amortised cost

These are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method. Assets that are held for collection of contractual cash flows where those cash flows represents 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. 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

2.9 Property and equipment

(i) Recognition and measurement

Items of property and equipment are measured at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. 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. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. 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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are recognised in other income/other expenses in profit or loss.

(ii) Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, 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 any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

2. Summary of significant accounting policies (continued)

2.9 Property and equipment (continued)

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of the property and equipment.

The estimated useful lives are as follows:

Leasehold land and buildings	Over the lease period
Leasehold improvements	5 years
Furniture, fittings and equipment	5 years
Computers	4 years
Motor vehicles	5 years

Depreciation methods, residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

2.10 Intangible assets

Computer software

Software acquired by the Bank is measured at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Intangible assets with indefinite useful lives are not amortised. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The estimated useful life of software is four years. Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

2.11 Impairment of non-financial assets

The carrying amounts of the Bank's non-financial assets other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset that generates cash flows that are largely independent from other assets. 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.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2. Summary of significant accounting policies (continued)

2.12 Deposits and borrowings

Deposits and borrowings from other banks are the Bank's sources of debt funding. Deposits and borrowings from other banks are initially measured at fair value plus transaction costs and subsequently measured at their amortised cost using the effective interest method, except where the Bank chooses to carry the liabilities at fair value through profit or loss.

2.13 Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Defined contribution plans

The Bank makes contributions to mandatory pension schemes for eligible employees. Contribution by the Bank to the mandatory pension schemes is determined by law and are defined contribution plans.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Provident fund

The Bank has a Provident Fund Scheme for all employees who have completed their probation period with the Bank. Employees contribute 5% of their basic salary to the Fund whilst the Bank contributes 10%. Obligations under the plan are limited to the relevant contributions, which are settled on due dates to the fund manager.

2.14 Stated capital and reserves

(i) Stated capital

The Bank's stated capital is not redeemable by holders in the normal course of business and bears an entitlement to distributions that is non-cumulative and at the discretion of the directors. Accordingly, they are presented as a component of issued capital within equity.

(ii) Share issue costs

Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

(iii) Dividend on ordinary shares

Dividends on ordinary shares are recognised in the period in which they are approved by the shareholders. Dividend proposed which is yet to be approved by shareholders, is disclosed by way of notes.

3. Financial risk management

3.1 Introduction and overview

The Bank's activities expose the business to risks. These risks are managed in a targeted manner. 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 risks arising from financial instruments to which the Bank is exposed are:

- credit risk
- liquidity risk
- market risks
- capital management
- operational risks

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.

3.1.1 Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Risk Committee of the Board is responsible for developing and monitoring the Bank's risk management policies over specified areas.

The Bank's risk management policies are established to identify and analyse risks faced by the Bank, set appropriate risks limits and controls and monitor risks and adherence to established policies. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. Through training and setting of standards and procedures, the Bank has developed a disciplined and reasonably effective control environment in which all employees understand their roles and obligations.

The Bank's Risk Committee of the Board is responsible for monitoring compliance with the Bank's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to risks faced by the Bank.

3.2 Credit risk

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 credit enhancements, financial guarantees, letters of credit, endorsements and acceptances.

The Bank is also exposed to other credit risks arising from investments in debt securities and other exposures arising from its trading activities ('trading exposures'), including non-equity trading portfolio assets, derivatives and settlement balances with market counterparties and reverse repurchase loans.

Settlement risk

The Bank's activities may give rise to risk at the time of settlement of transactions and trade. Settlement risk is the risk of loss due to the failure of a company to honour its obligations to deliver cash, securities or other assets as contractually agreed.

3. Financial risk management (continued)

3.2.1 Credit risk management

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 Head of Credit Portfolio, Monitoring, Recovery & Reporting, who reports to the Chief Risk Officer and then to the Board of Directors.

The Bank has well documented policies and procedures for managing credit risk. The policies are based on the principle of: Management responsibility; Defined credit approval authorities; Set standards for risk management; Consistent approach to origination of credit, documentation and problem recognition; and Portfolio management strategies.

The risk that counterparties might default on their obligations is monitored on an ongoing basis. To manage the level of credit risk, the Bank deals with counterparties of good credit standing and for which in its assessment the transactions are appropriate and risks understood by the counterparty.

Credit concentration risk

Credit concentration risk is the risk of loss to the Bank arising from excessive concentration of exposure to a single counterparty, industry sector, product or geographic area. Large exposure limits have been established under the Bank's credit policy in order to avoid excessive losses from any single counter-party who is unable to fulfil its payment obligations. These risks are monitored on an ongoing basis and subject to annual or more frequent reviews when considered necessary.

Credit limit control and mitigation

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 geographical and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review, when considered necessary. Limits on the level of credit risk by product, industry sector and 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 the light of changing market and economic conditions and periodic credit reviews and assessments of probability of default.

Some other specific control and mitigation measures are outlined below:

a. Financial covenants (for credit related commitments and loan books)

The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees and standby letters of credit carry the same credit risk as loans. Documentary and commercial letters of credit – which are written undertakings by the Bank on behalf of a customer authorising a third party to draw drafts on the Bank up to a stipulated amount under specific terms and conditions – are collateralised by the underlying shipments of goods to which they relate and therefore carry less risk than a direct loan.

Commitments to extend credit represent unused portions of authorisations to extend credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Bank is potentially exposed to loss in an amount equal to the total unused commitments. However, the likely amount of loss is less than the total unused commitments, as most commitments to extend credit are contingent upon customers maintaining specific credit standards (often referred to as financial covenants).

The Bank monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

3. Financial risk management (continued)

3.2.1 Credit risk management (continued)

Credit limit control and mitigation (continued)

b. Collateral and other credit enhancements

The Bank implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:

- Mortgages over residential properties.
- Charges over business assets such as premises, inventory and accounts receivable.
- Charges over financial instruments such as debt securities and equities.

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 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.

The Bank did not hold any financial and non-financial assets resulting from taking possession of collaterals held as security against loans and advances at the reporting date (2023: Nil).

c. 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, investment securities and other financial assets. These are carried at amortised cost and presented net of the provision for expected credit losses on the statement of financial position.

Off-balance sheet items subject to impairment assessment include financial guarantees and undrawn loan commitments. The provision for expected credit losses for financial guarantee contracts and undrawn commitments 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.

d. 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. Financial risk management (continued)

3.2.2 Expected credit loss measurement

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Bank.

- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired.

- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'.

- POCI: Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit adjusted EIR. ECLs are only recognised or released to the extent that there is a subsequent change in the expected credit losses.

- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.

- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information.

Significant increase in credit risk (SICR)

The Bank considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met:

Quantitative criteria:

The remaining Lifetime Probability of Default (PD) at the reporting date has increased, compared to the residual Lifetime PD expected at the reporting date when the exposure was first recognised.

Qualitative criteria

For Loan portfolios, if the borrower meets one or more of the following criteria:

- In short-term forbearance
- Direct debit cancellation
- Extension to the terms granted
- Previous arrears within the last [12] months
- If the borrower is on the Watchlist and/or the instrument meets one or more of the following criteria:
- Significant increase in credit spread
- Significant adverse changes in business, financial and/or economic conditions in which the borrower operates
- Actual or expected forbearance or restructuring
- Actual or expected significant adverse change in operating results of the borrower
- Significant change in collateral value (secured facilities only) which is expected to increase risk of default
- Early signs of cashflow or liquidity problems such as delay in servicing of trade creditors/loans. The assessment of SICR incorporates forward-looking information and is performed on a weekly basis at a portfolio level. The criteria used to identify SICR are monitored and reviewed periodically for appropriateness.

3. Financial risk management (continued)

3.2.2 Expected credit loss measurement (continued)

Significant increase in credit risk (SICR) (continued)

Backstop

A backstop is applied and the financial instrument considered to have experienced a significant increase in credit risk if the borrower is more than 30 days past due on its contractual payments.

Low Credit Risk Exemption

The Bank has not used the low credit risk exemption for any financial instruments in the period ended 31 December 2024.

Definition of default and credit-impaired assets

The Bank defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria

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

Qualitative criteria

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

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

The criteria above have been applied to all financial instruments held by the 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 months.

Measuring ECL — Explanation of inputs, assumptions and estimation techniques

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

3. Financial risk management (continued)

3.2.2 Expected credit loss measurement (continued)

Measuring ECL — Explanation of inputs, assumptions and estimation techniques (continued)

- The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.

- EAD is based on the amounts the Bank expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD).

- Loss Given Default (LGD) represents the Bank's expectation of the extent of loss on a defaulted exposure. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral or credit enhancements that are integral to the loan and not required to be recognised separately. 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 and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

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

In its ECL models, the bank relies on a broad range of forward-looking information as economic inputs, such as:

- Monetary Policy rates
- Exchange rates
- Inflation rates
- GDP growth rates

The inputs and models used for calculating ECL may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are material.

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Bank has identified the key economic variables impacting credit risk and expected credit losses for each product or sector.

Economic Variable Assumptions

The most significant period end assumptions used for the ECL estimate as at 31 December 2024 are set out below:

Scenario	Weight (%)
Base Case	73
Upside	12
Downside	15

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.2.2 Expected credit loss measurement (continued)

The forward-looking economic information affecting the ECL model are as follows:

- USD/GHC - The Bank of Ghana average USD rate on the date of assessment and for the last three quarters. This is because of the sensitivity of the economy to exchange rate fluctuations.
- MPR – The Monetary Policy Rate (MPR) is used as a tool to target inflation and interest rates. It is an indicator of the likely trend of rates which is a key driver of economic activity.

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.

3.2.3 Maximum exposure to credit risk before collateral held

Maximum exposure to credit risk	**2024**	2023
Credit risk exposures relating to on balance sheet assets are as follows:		
Cash and bank balances	**2,405,366**	2,069,471
Investment securities	**10,530,076**	9,030,762
Non-pledged trading assets	**77,867**	2,954
Loans and advances to customers	**2,373,497**	2,276,305
Other assets (excluding prepayments and stationary)	**412,449**	310,963
Credit risk exposures relating to off balance sheet items are as follows:		
Letters of credit	**238,087**	41,580
Letters of guarantee	**142,416**	382,780
Undrawn commitments	**99,009**	42,581
At year end	**16,278,767**	14,157,396

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.2.3 Maximum exposure to credit risk before collateral held (continued)

The bank monitors credit risk per class of financial instrument. The following table sets out information about the credit quality of financial assets measured at amortised cost.

2024					
Loans and Advances at amortized cost	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Grade 1 - 3	**1,378,316**	**-**	**-**	**-**	**1,378,316**
Grade 4 - 5	**-**	**692,570**	**-**	**-**	**692,570**
Grade 6	**-**	**-**	**39,711**	**-**	**39,711**
Grade 7	**-**	**-**	**146,440**	**-**	**146,440**
Grade 8	**-**	**-**	**116,460**	**-**	**116,460**
Total gross amount	**1,378,316**	**692,570**	**302,611**	**-**	**2,373,497**
Loss allowance	**(42,316)**	**(47,132)**	**(227,340)**	**-**	**(316,788)**
Net Carrying Amount	**1,336,000**	**645,438**	**75,271**	**-**	**2,056,709**

2023					
Loans and Advances at amortized cost	Stage 1	Stage 2	Stage 3	POCI	Total
Grade 1 - 3	1,831,175	-	-	-	1,831,175
Grade 4 - 5	-	99,927	-	-	99,927
Grade 6	-	-	80,705	-	80,705
Grade 7	-	-	56,729	-	56,729
Grade 8	-	-	207,769	-	207,769
Total gross amount	1,831,175	99,927	345,203	-	2,276,305
Loss allowance	(46,389)	(7,939)	(267,925)	-	(322,253)
Net Carrying Amount	1,784,786	91,988	77,278	-	1,954,052

The Bank's loans and advances exposures were categorised by the Bank of Ghana prudential guidelines as follows:

Grade	**Name**	**Indicator**
Grade 1–3	Current	Loans and advances which the borrower is up to date (i.e. current) with repayment of both principal and interest
Grade 4–5:	Watch list	Loans and advances which are at least 30 days but less than 90 days overdue
Grade 6:	Substandard	Loans and advances which are at least 90 days but less than 180 days overdue
Grade 7:	Doubtful	Loans and advances which are at least 180 days but less than 360 days overdue
Grade 8:	Loss	Loans and advances which are 360 days or more overdue

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.2.3 Maximum exposure to credit risk before collateral held (continued)

2024					
Off balance sheet: Letters of Credit	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Grade 1 - 3	**238,087**	**-**	**-**	**-**	**238,087**
Loss allowance	**(2,833)**	**-**	**-**	**-**	**(2,833)**
Net Carrying Amount	**235,254**	**-**	**-**	**-**	**235,254**

2023					
Off balance sheet: Letters of Credit	Stage 1	Stage 2	Stage 3	POCI	Total
Grade 1 - 3	41,580	-	-	-	41,580
Loss allowance	(214)	-	-	-	(214)
Net Carrying Amount	41,366	-	-	-	41,366

2024					
Off balance sheet: Guarantees	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Grade 1 - 3	**88,033**	**-**	**-**	**-**	**88,033**
Grade 4 - 5	**-**	**54,383**	**-**	**-**	**54,383**
Total gross amount	**88,033**	**54,383**	**-**	**-**	**142,416**
Loss allowance	**(853)**	**(435)**	**-**	**-**	**(1,288)**
Net Carrying Amount	**87,180**	**53,948**	**-**	**-**	**141,128**

2023					
Off balance sheet: Guarantees	Stage 1	Stage 2	Stage 3	POCI	Total
Grade 1 - 3	382,780	-	-	-	382,780
Grade 4 - 5	-	-	-	-	-
Total gross amount	382,780	-	-	-	382,780
Loss allowance	(1,972)	-	-	-	(1,972)
Net Carrying Amount	380,808	-	-	-	380,808

2024					
Off balance sheet: Undrawn commitment	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Grade 1 - 3	**98,644**	**-**	**365**	**-**	**99,009**
Loss allowance	**(660)**	**-**	**-**	**-**	**(660)**
Net Carrying Amount	**97,984**	**-**	**365**	**-**	**98,349**

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.2.3 Maximum exposure to credit risk before collateral held (continued)

2023					
Off balance sheet: Undrawn commitment	Stage 1	Stage 2	Stage 3	POCI	Total
Grade 1 - 3	42,581	-	-	-	42,581
Loss allowance	(219)	-	-	-	(219)
Net Carrying Amount	42,362	-	-	-	42,362

2024					
Investment securities	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Grade 1 - 3	**4,732,156**	**-**	**-**	**-**	**4,732,156**
Grade 4 - 5	**-**	**-**	**-**	**-**	**-**
Grade 6	**-**	**-**	**-**	**5,799,744**	**5,799,744**
Total gross amount	**4,732,156**	**-**	**-**	**5,799,744**	**10,531,900**
Loss allowance	**(213,008)**	**-**	**-**	**-**	**(213,008)**
Net Carrying Amount	**4,519,148**	**-**	**-**	**5,799,744**	**10,318,892**

2023					
Investment securities	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Grade 1 - 3	**3,385,314**	**-**	**-**	**-**	**870,982**
Grade 4 - 5	**-**	**-**	**-**	**-**	**-**
Grade 6	**-**	**-**	**670,104**	**7,489,676**	**8,159,780**
Total gross amount	**3,385,314**	**-**	**670,104**	**7,489,676**	**9,030,762**
Loss allowance	**(461,987)**	**-**	**(257,004)**	**-**	**(718,991)**
Net Carrying Amount	**2,923,327**	**-**	**413,100**	**4,975,344**	**8,311,771**

2024					
Cash and bank balances	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Grade 1 - 3	**2,405,366**	**-**	**-**	**-**	**2,405,366**
Gross amount	**2,405,366**	**-**	**-**	**-**	**2,405,366**
Loss allowance	**-**	**-**	**-**	**-**	**-**
Net Carrying Amount	**2,405,366**	**-**	**-**	**-**	**2,405,366**

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.2.3 Maximum exposure to credit risk before collateral held (continued)

2023					
Cash and bank balances	Stage 1	Stage 2	Stage 3	POCI	Total
Grade 1 - 3	2,069,471	-	-	-	2,069,471
Gross amount	2,069,471	-	-	-	2,069,471
Loss allowance	-	-	-	-	-
Net Carrying Amount	2,069,471	-	-	-	2,069,471

Loans and advances

An analysis of the Bank's loans and advances per stage is shown below:

2024					
Loans and Advances to customers	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January	**1,831,176**	**99,927**	**345,203**	**-**	**2,276,306**
Transfer to stage 1	**4,738**	**(4,237)**	**(501)**	**-**	**-**
Transfer to stage 2	**(409,899)**	**410,060**	**(161)**	**-**	**-**
Transfer to stage 3	**(54,188)**	**(6,252)**	**60,440**	**-**	**-**
Changes to existing balances	**(51,987)**	**2,641**	**(19,498)**	**-**	**(68,844)**
New financial assets originated or purchased	**485,208**	**193,706**	**69,880**	**-**	**748,794**
Financial assets that have been derecognized	**(426,732)**	**(3,275)**	**(151,417)**	**-**	**(581,424)**
Write off		**-**	**(1,335)**	**-**	**(1,335)**
Gross Carrying Amount at 31 December 2024	**1,378,316**	**692,570**	**302,611**	**-**	**2,373,497**
Loss allowance at 31 December 2024	**(42,316)**	**(47,132)**	**(227,340)**	**-**	**(316,788)**

2024					
Loss allowance: Loans and Advances	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January	**46,388**	**7,939**	**267,926**	**-**	**322,253**
Transfer to stage 1	**335**	**(99)**	**(236)**	**-**	**-**
Transfer to stage 2	**(12,681)**	**12,804**	**(123)**	**-**	**-**
Transfer to stage 3	**(1,714)**	**(598)**	**2,312**	**-**	**-**
Pay downs and Credit quality related changes	**(1,332)**	**939**	**(9,488)**	**-**	**(9,881)**
New financial assets originated or purchased	**31,194**	**26,321**	**54,030**	**-**	**111,545**
Financial assets that have been derecognized	**(19,874)**	**(174)**	**(85,746)**	**-**	**(105,794)**
Write off	**-**	**-**	**(1,335)**	**-**	**(1,335)**
Net Carrying Amount at 31 December 2024	**42,316**	**47,132**	**227,340**	**-**	**316,788**

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.2.3 Maximum exposure to credit risk before collateral held (continued)

2023*					
Loans and Advances to customers	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 1 January	1,728,691	207,048	465,798	-	2,401,537
Transfer to stage 1	8,233	(8,233)	-	-	-
Transfer to stage 2	(68,767)	84,333	(15,566)	-	-
Transfer to stage 3	(14,188)	(6,252)	20,440	-	-
New financial assets originated or purchased	515,244	39,948	72,822	-	628,014
Financial assets that have been derecognized	(338,038)	(216,917)	(198,291)	-	(753,246)
Write off	-	-	-	-	-
Gross Carrying Amount at 31 December 2023	1,831,175	99,927	345,203	-	2,276,305
Loss allowance at 31 December 2023	(46,389)	(7,939)	(267,925)	-	(322,253)

2023					
Loss allowance: Loans and Advances	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 1 January	33,966	12,791	298,638	-	345,395
Transfer to stage 1	5,567	(5,567)	-	-	-
Transfer to stage 2	(2,107)	2,593	(486)	-	-
Transfer to stage 3	(686)	(418)	1,104	-	-
Pay downs and Credit quality related changes	(1,022)	(337)	(12,065)	-	(13,424)
New financial assets originated or purchased	16,408	1,346	54,000	-	71,754
Financial assets that have been derecognized	(5,737)	(2,470)	(73,265)	-	(81,472)
Write off	-	-	-	-	-
Net Carrying Amount at 31 December 2024	46,389	7,938	267,926	-	322,253

* The bank did not disclose the reconciliation of the loans and advances and its loss movement in the 2023 financial statements. This has been corrected

Off balance sheet: Letters of credit

An analysis of the Bank's letters of credit per stage is shown below:

2024					
Off balance sheet: Letters of Credit	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January	**41,580**	-	-	-	**41,580**
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	**238,087**	-	-	-	**238,087**
Financial assets that have been derecognized	**(41,580)**	-	-	-	**(41,580)**
Write off	-	-	-	-	-
Gross Carrying Amount at 31 December	**238,087**	-	-	-	**238,087**
Loss allowance at 31 December 2024	**(2,833)**	-	-	-	**(2,833)**

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.2.3 Maximum exposure to credit risk before collateral held (continued)

2024					
Loss allowance: Letters of credit	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January	**214**	-	-	-	**214**
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	**2,833**	-	-	-	**2,833**
Financial assets that have been derecognized	**(214)**	-	-	-	**(214)**
Write off	-	-	-	-	-
Net Carrying Amount at 31 December 2024	**2,833**	-	-	-	**2,833**

2023*					
Off balance sheet: Letters of Credit	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 1 January	288,757	-	-	-	288,757
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	41,580	-	-	-	41,580
Financial assets that have been derecognized	(288,757)	-	-	-	(288,757)
Write off	-	-	-	-	-
Gross Carrying Amount at 31 December 2023	41,580	-	-	-	41,580
Loss allowance at 31 December 2023	(214)	-	-	-	(214)

2023*					
Loss allowance: Letters of credit	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 1 January	666	-	-	-	666
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	214	-	-	-	214
Financial assets that have been derecognized	(666)	-	-	-	(666)
Write off	-	-	-	-	-
Net Carrying Amount at 31 December 2023	214	-	-	-	214

* The bank did not disclose the reconciliation of the loans and advances and its loss movement in the 2023 financial statements. This has been corrected.

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.2.3 Maximum exposure to credit risk before collateral held (continued)

Off balance sheet: Guarantees

An analysis of the Bank's guarantees per stage is shown below:

2024					
Off balance sheet: guarantees	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January	**270,698**	**61,503**	**50,579**	**-**	**382,780**
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	**58,075**	-	-	-	**58,075**
Financial assets that have been derecognized	**(240,740)**	**(7,120)**	**(50,579)**	-	**(298,439)**
Write off	-	-	-	-	-
Gross Carrying Amount at 31 December 2024	**88,033**	**54,383**	**-**	**-**	**142,416**
Loss allowance at 31 December 2024	**(853)**	**(435)**	**-**	**-**	**(1,288)**

2024					
Loss allowance: guarantees	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January	**1,537**	**435**	-	-	**1,972**
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	**322**	-	-	-	**322**
Financial assets that have been derecognized	**(1,006)**	-	-	-	**(1,006)**
Write off	-	-	-		-
Net Carrying Amount	**853**	**435**	**-**	**-**	**1,288**

2023*					
Off balance sheet: guarantees	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 1 January	358,218	-	-	-	358,218
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	382,780	-	-	-	382,780
Financial assets that have been derecognized	(358,218)	-	-	-	(358,218)
Write off	-	-	-	-	-
Gross Carrying Amount at 31 December 2023	382,780	-	-	-	382,780
Loss allowance at 31 December 2023	(1,972)	-	-	-	(1,972)

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.2.3 Maximum exposure to credit risk before collateral held (continued)

2023*					
Loss allowance: guarantees	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 1 January	2,335	-	-	-	2,335
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	1,006	-	-	-	1,006
Financial assets that have been derecognized	(1,368)	-	-	-	(1,368)
Write off	-	-	-	-	-
Net Carrying Amount	1,972	-	-	-	1,972

* The bank did not disclose the reconciliation of the guarantees and its loss movement in the 2023 financial statements. This has been corrected.

Off balance sheet: Undrawn commitments

An analysis of the Bank's undrawn commitments per stage is shown below:

2024					
Off balance sheet: undrawn commitment	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January	**42,581**	-	-	-	**42,581**
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	**(365)**	-	**365**	-	-
New financial assets originated or purchased	**98,347**	-	-	-	**98,347**
Financial assets that have been derecognized	**(41,919)**	-	-	-	**(41,919)**
Write off	-	-	-	-	-
Gross Carrying Amount at 31 December 2024	**98,644**	-	**365**	-	**99,009**
Loss allowance at 31 December 2024	**(660)**	-	-	-	**(660)**

2024					
Loss allowance: undrawn commitment	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January	**219**	-	-	-	**219**
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	**660**	-	-	-	**660**
Financial assets that have been derecognized	**(219)**	-	-	-	**(219)**
Write off	-	-	-		-
Net Carrying Amount	**660**	-	-	-	**660**

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.2.3 Maximum exposure to credit risk before collateral held (continued)

2023*					
Off balance sheet: undrawn commitment	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 1 January	30,567	-	-	-	30,567
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	42,581	-	-	-	42,581
Financial assets that have been derecognized	(30,567)	-	-	-	(30,567)
Write off	-	-	-	-	-
Gross Carrying Amount at 31 December 2023	42,581	-	-	-	42,581
Loss allowance at 31 December 2023	(219)	-	-	-	(219)

2023*					
Loss allowance: undrawn commitment	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 1 January	1,167	-	-	-	1,167
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	219	-	-	-	219
Financial assets that have been derecognized	(1,167)	-	-	-	(1,167)
Write off	-	-	-		-
Net Carrying Amount	219	-	-	-	219

* The bank did not disclose the reconciliation of the undrawn commitment and its loss movement in the 2023 financial statements. This has been corrected.

3. Financial risk management (continued)

3.2.3 Maximum exposure to credit risk before collateral held (continued)

Investment securities

An analysis of the Bank's investment securities per stage is shown below:

2024 Investment securities	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 1 January	**3,385,314**	-	**670,104**	**4,975,344**	**9,030,762**
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	**2,217,824**	-	-	**477,015**	**2,694,839**
Financial assets that have been paid down/derecognized	**(870,982)**	-	**(621,619)**	-	**(1,492,601)**
Interest Accrued on Effective Interest Rate	-	-	**199,538**	**293,264**	**492,802**
Effects of exchange rate movement	-	-	**85,097**	**54,121**	**139,218**
Write off	-	-	**(333,120)**	-	**(333,120)**
Gross Carrying Amount at 31 December 2024	**4,732,156**	-	-	**5,799,744**	**10,531,900**
Loss allowance at 31 December 2024	**(213,008)**	-	-	-	**(213,008)**

There was no change in the cumulative loss allowance of the POCI instruments.

2024 Loss allowance: Investment securities	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 1 January	**461,987**	-	**257,004**	-	**718,991**
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	**4,639**	-	-	-	**4,639**
Credit quality related changes	**(253,618)**	-	**220,720**	-	**(32,898)**
ECL on financial asset derecognized	-	-	**(144,604)**	-	**(144,604)**
Write off	-	-	**(333,120)**	-	**(333,120)**
Net Carrying Amount at 31 December 2024	**213,008**	-	-	-	**213,008**

2023 Investment securities	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 1 January	1,683,356	-	6,212,146	-	7,895,502
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	3,370,982	-	-	4,065,281	7,436,263
Interest Accrued on Effective Interest Rate	14,332	-	-	875,507	889,839
Effects of exchange rate movement	-	-	-	34,556	34,556
Financial assets that have been derecognized	-	-	(5,542,042)	-	(5,542,042)
Pay downs and Credit quality related changes	(1,683,356)	-	-	-	(1,683,356)
Gross Carrying Amount at 31 December 2023	3,385,314	-	670,104	4,975,344	9,030,762
Loss allowance at 31 December 2023	(461,987)	-	(257,004)	-	(718,991)

Loss allowance: Investment securities	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January	**41,762**	-	**1,733,768**	-	**1,775,530**
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
Financial assets that have been derecognized	-	-	**(1,702,601)**	-	**(1,702,601)**
New financial assets originated or purchased	**461,987**	-	-	-	**461,987**
Credit quality related changes	**(41,762)**	-	**225,837**	-	**184,075**
Write off	-	-	-	-	-
Net Carrying Amount at 31 December 2023	**461,987**	-	**257,004**	-	**718,991**

* The bank did not disclose the reconciliation of the investment securities and its loss movement in the 2023 financial statements. This has been corrected.
**The Bank disclosed all Government bonds as stage 3 in the 2023 financial statements. This has been corrected.

There was no change in the cumulative loss allowance of the POCI instruments.

Cash and cash equivalents

An analysis of the Bank's cash and cash equivalent per stage is shown below:

2024					
Cash and cash equivalents	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January	**2,069,471**	**-**	**-**	**-**	**2,069,471**
Transfer to stage 1	**-**	**-**	**-**	**-**	**-**
Transfer to stage 2	**-**	**-**	**-**	**-**	**-**
Transfer to stage 3	**-**	**-**	**-**	**-**	**-**
New financial assets originated or purchased	**2,405,366**	**-**	**-**	**-**	**2,405,366**
Financial assets that have been derecognized	**(2,069,471)**	**-**	**-**	**-**	**(2,069,471)**
Write off	**-**	**-**	**-**	**-**	**-**
Gross Carrying Amount at 31 December 2024	**2,405,366**	**-**	**-**	**-**	**2,405,366**
Loss allowance at 31 December 2024	**-**	**-**	**-**	**-**	**-**

2023					
Cash and bank balances	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 1 January	1,435,682	-	-	-	1,435,682
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	2,069,471	-	-	-	2,069,471
Financial assets that have been derecognized	(1,435,682)	-	-	-	(1,435,682)
Write off	-	-	-	-	-
Gross Carrying Amount at 31 December 2023	2,069,471	-	-	-	2,069,471
Loss allowance at 31 December 2023	-	-	-	-	-

The bank did not record ECL on cash and bank balances as these balances were realized prior to the signing of the financial statements.

3.2.4 Concentration of credit risk

The Bank monitors concentrations of credit risk by product and sector. An analysis of concentrations of credit risk from loans and advances is shown below.

	Loans and advances to customers	
	2024	2023
Carrying amount		
Concentration by product:		
Overdrafts	**153,412**	160,121
Term loans	**2,116,255**	2,016,036
Staff loans	**103,829**	100,148
Gross loans and advances	**2,373,497**	2,276,305
Less: Impairment	**(316,788)**	(322,253)
Net loans and advances	**2,056,709**	1,954,052

Concentration by sector:	**2024**	2023
Agriculture, Forestry & Fishing	**104,072**	5,903
Mining & Quarrying	**111,871**	117,691
Manufacturing	**7,096**	40,443
Electricity, Gas & Water	**205,855**	237,123
Commerce & Finance	**300,828**	326,765
Transport, Storage & Communication	**8,343**	14,852
Construction	**725,995**	706,691
Services	**909,437**	826,837
Gross loans and advances	**2,373,497**	2,276,305
Less: allowance for impairment	**(316,788)**	(322,253)
Net loans and advances	**2,056,709**	1,954,052

3.2.5 Key ratios on loans and advances

i. Loan loss provision ratios is **13.10%** (2023: 14.16%)

ii. Percentage of gross non – performing loans with respect to Bank of Ghana Prudential Norms (individually impaired) to total gross loans and advances is **12.50%** (GHs 302,638,713) (2023: 15.03%; GHs345,215,577)

iii. Ratio of fifty (50) largest exposure (gross funded) to total exposure is **82%** (2023: 83%).

3.3 Market risk

The Bank takes on exposure to market risk which is the risk that changes in market prices – such as interest rates, foreign exchange rates and credit spreads (not relating to changes in the obligor's/issuer's credit standing) – will affect the Bank's income or the value of its holdings of financial instruments. The Bank separates exposures to market risk into either trading or non-trading portfolios.

The market risks arising from trading and non-trading activities are concentrated in Bank Global Markets and monitored by both Global Markets and Risk Management departments separately.

3.3.1 Management of market risk

The objective of the Bank's market risk management is to manage and control market risk exposures within acceptable parameters to ensure the Bank's solvency while optimising the return on risk. The Bank's Chief Risk Officer is responsible for the development of detailed risk management policies and for day-to-day implementation of those policies.

The Bank identifies market risk through daily monitoring of levels and profit and loss balances of trading and non-trading positions. The Risk Management department monitors daily trading activities to ensure that risk exposures taken are within the approved price limits and the overall risk tolerance levels set by the Board. In addition, Assets and Liabilities Committee (ALCO) members, the Treasurer and the Risk Manager monitor market risk factors that affect the value of trading and non-trading positions as well as income streams on non-trading portfolios on a daily basis. They also track the liquidity indicators to ensure that the Bank meets its financial obligations at all times.

3.3.2. 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:

- differences between the timing of market interest rate changes and the timing of cash flows (re-pricing risk)
- changes in the market interest rates producing different effects on yields on similar instruments with different maturities (yield curve risk); and
- changes in the level of market interest rates producing different effects on rates received or paid on instruments with similar re-pricing characteristics (basis risk).

The Asset and Liability Management ("ALM") process, managed through the Assets and Liability Committee (ALCO), is used to manage interest rate risks associated with the non-trading book. The Assets and Liability Committee (ALCO) closely monitors the interest rate trends to minimise the potential adverse impact of interest rate changes.

The Bank uses gap analysis to measure its exposure to interest rate risk. Through this analysis, it compares the values of interest rate sensitive assets and interest rate sensitive liabilities that mature or re-price at various time periods in the future. The Bank may make judgemental assumptions about the behaviour of assets and liabilities which do not have specific contractual maturity or re-pricing dates. The table below summarises the re-pricing profiles of financial instruments and other assets and liabilities as at 31 December 2024. Items are allocated to time periods with reference to the earlier of the next contractual interest rate re-pricing date and the maturity date.

At 31 December 2024	Up to 1 month	1-3 months	3-12 months	Over 1 year	Non-interest bearing	Total
Assets						
Cash and bank balances	-	-	-	-	1,366,850	**1,366,850**
Due from other banks	1,038,516	-	-	-	-	**1,038,516**
Investment securities	655,728	1,466,037	288,395	7,908,733	-	**10,318,892**
Non-pledged trading assets	59,170	18,697	-	-	-	**77,867**
Loans and advances to customers	156,388	154,366	331,718	1,414,237	-	**2,056,709**
Other assets (less prepayment and stationery)	-	-	-	-	412,451	**412,451**
Financial assets	**1,909,802**	**1,639,100**	**620,113**	**9,322,970**	**1,779,301**	**15,271,286**
Liabilities						
Deposits from customers	3,237,779	2,218,997	3,248,925	4,281,612	-	**12,987,313**
Borrowed funds	178,246	208,241	-	745,308	-	**1,131,795**
Lease liabilities	315	1,926	2,977	139,489	-	**144,707**
Other liabilities	-	-	-	-	1,079,782	**1,079,782**
Financial liabilities	**3,416,340**	**2,429,164**	**3,251,902**	**5,166,409**	**1,079,782**	**15,343,597**
Total interest re-pricing gap	**(1,506,538)**	**(790,064)**	**(2,631,789)**	**4,156,561**	**699,519**	**(72,311)**

At 31 December 2023	Up to 1 month	1-3 months	3-12 months	Over 1 year	Non-interest bearing	Total
Assets						
Cash and bank balances	-	-	-	-	1,678,520	**1,678,520**
Due from other banks	390,951	-	-	-	-	**390,951**
Investment securities	207,690	513,841	202,615	7,387,625	-	**8,311,771**
Non-pledged trading assets	2,954	-	-	-	-	**2,954**
Loans and advances to customers	300,133	111,861	415,915	1,126,143	-	**1,954,052**
Other assets (less prepayment and stationery)*	-	-	-	-	174,947	**174,947**
Financial assets	**901,728**	**625,702**	**618,530**	**8,513,768**	**1,853,467**	**12,513,195**
Liabilities						
Deposits from customers	2,311,353	1,822,614	2,848,777	3,445,284	-	**10,428,028**
Borrowed funds	147,839	106,597	8,351	716,915	-	**979,702**
Lease liabilities	6,542	12,446	23,702	78,443	-	**121,133**
Other liabilities	-	-	-	-	959,125	**959,125**
Financial liabilities	**2,465,734**	**1,941,657**	**2,880,830**	**4,240,642**	**959,125**	**12,487,988**
Total interest re-pricing gap	**(1,564,006)**	**(1,315,955)**	**(2,262,300)**	**4,273,126**	**894,342**	**25,207**

*Other assets in prior year included stationery value of GHS6,829,542. This has been corrected.

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.3 Market risk (continued)

Interest rate sensitivity analysis

The interest re-pricing gap analysis is supplemented by monitoring the sensitivity of the Bank's financial assets and liabilities to various standard and non-standard interest rate scenarios. Standard scenarios that are considered on a monthly basis include a 100 basis points (bps) parallel shift in all yield curves. This approach has not changed in 2024. An analysis of the Bank's sensitivity to an increase or decrease in market interest rates (assuming no symmetrical movement in yield curves and a constant balance sheet position) and its impact on the net interest margin is as follows:

		Possible interest rate movements		
31-Dec-24	**Total interest re-pricing gap**	**+100bps**	**+200bps**	**+300bps**
Up to 1 month	**(1,506,538)**	(15,065)	(30,131)	(45,196)
1-3 months	**(790,064)**	(7,901)	(15,801)	(23,702)
3-12 months	**(2,631,789)**	(26,318)	(52,636)	(78,954)
over 1 year	**4,154,737**	41,547	83,095	124,642
Total	**(773,654)**	**(7,738)**	**(15,473)**	**(23,211)**
Net interest income	**1,143,187**			
Impact on net interest income for 2024		-0.68%	-1.37%	-2.06%

		Possible interest rate movements		
31 December 2023	Total interest re-pricing gap	+100bps	+200bps	+300bps
Up to 1 month	(1,557,463)	(15,575)	(31,149)	(46,724)
1-3 months	(1,303,510)	(13,035)	(26,070)	(39,105)
3-12 months	(2,238,598)	(22,386)	(44,772)	(67,158)
over 1 year	4,349,746	43,497	86,995	130,492
Total	(749,825)	(7,499)	(14,996)	(22,495)
Net interest income	561,424			
Impact on net interest income for 2023		(1.34%)	(2.67%)	(4.01%)

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.3 Market risk (continued)

3.3.3 Foreign exchange risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The open positions of currencies held are monitored on a daily basis. The objective of monitoring the open position in foreign currency is to manage foreign exchange risk due to movements in rates as well as changes in liquidity positions. The Bank has adopted the revised Bank of Ghana requirement that banks maintain a total open position which is equal to 10% of their net own funds. Within this limit, banks are also required to maintain single currency open positions equal to 5% of net own funds.

The table below summarises the Bank's exposure by currency exchange rates on its financial position and cash flows

At 31 December 2024	**EUR**	**GBP**	**USD**	**OTHERS**	**TOTAL**
Assets					
Cash and bank balances	71,413	49,568	162,840	3,770	287,590
Due from other banks	-	-	117,856	-	117,586
Investment securities	-	-	1,317,274	-	1,317,274
Loans and advances to customers	-	-	675,771	-	675,771
Other assets	629	1	48,964	-	49,594
Total assets	**72,042**	**49,569**	**2,322,705**	**3,770**	**2,448,086**
Liabilities					
Deposits from customers	70,107	48,413	1,532,090	-	1,650,610
Borrowed funds	-	-	701,323	-	701,323
Other liabilities	16	9	101,925	-	101,950
Total liabilities	**70,123**	**48,422**	**2,335,338**	**3,770**	**2,453,883**
Net on balance sheet position	**1,919**	**1,147**	**(12,633)**	**3,770**	**(5,797)**

At 31 December 2023	EUR	GBP	USD	OTHERS	TOTAL
Assets					
Cash and bank balances	40,811	51,234	485,307	-	577,352
Investment securities	-	-	1,017,445	-	1,017,445
Loans and advances to customers	1	-	596,307	-	596,308
Other assets	24	-	23,925	-	23,949
Total assets	40,836	51,234	2,122,984	-	2,215,054
Liabilities					
Deposits from customers	41,381	44,935	1,504,238	-	1,590,554
Borrowed funds	-	-	565,123	-	565,123
Other liabilities	38	765	79,101	-	79,904
Total liabilities	41,419	45,700	2,148,462	-	2,234,581
Net on balance sheet position	(583)	5,534	(25,478)	-	(20,527)

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.3 Market risk (continued)

3.3.3 Foreign exchange risk (continued)

Foreign currency sensitivity analysis

The Bank's principal foreign currency exposures are to the US Dollar, the Euro and the Pound Sterling. The table below illustrates the hypothetical sensitivity of reported profit to a 10% decrease/increase in the value of the Ghana Cedi against these foreign currencies at the year end, assuming all other variables remain unchanged. The sensitivity rate of 10% represents the directors' assessment of a reasonably possible change, based on historic volatility.

Cedi weakens/strengthens by 10%*	**2024**	2023
US Dollar	**192**	(2,548)
Euro	**115**	(58)
Pound Sterling	**(1,263)**	553

Year end exchange rates applied in the above analysis are GH¢ 14.7000 to the US dollar (2023: 11.8800), GH¢ 15.2141 to the Euro (2023: 13.1264), and GH¢18.4008 to the Pound Sterling (2023: 15.1334) (Source: Bank of Ghana interbank rate)

* The bank applied the change in exchange rate on the cedi equivalent of the foreign currency exposures in the comparative year. This has been corrected.

3.4 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.

Such outflows would deplete available cash resources for client lending, trading activities and investments. In extreme circumstances, lack of liquidity could result in reductions in the statement of financial position and sales of assets, or potentially an inability to fulfil lending commitments. The risk that the Bank will be unable to do so is inherent in all banking operations and can be affected by a range of institution-specific and market-wide events including, but not limited to, credit events, merger and acquisition activity, systemic shocks and natural disasters.

The Bank's liquidity management process, as carried out within the Bank and monitored by a separate team in Global Markets Department, includes:

- day-to-day funding, managed by monitoring future cash flows to ensure that requirements can be met. This includes replenishment of funds as they mature or are borrowed by customers. The Bank maintains an active presence in the money market to enable this to happen;
- maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- monitoring the liquidity ratios of the statement of financial position against internal and regulatory requirements and;
- managing the concentration and profile of debt maturities.

Finally, the Bank is statutorily required to maintain a reserve with the Bank of Ghana. The rate is susceptible to changes by Bank of Ghana. These balances are used to support all inter-bank transactions.

The Bank prepares and uses liability mismatch reports to manage funding needs. The liquidity mismatch report is used to measure the ability of the Bank to meet maturing liability obligations. This is supplemented by weekly cash flow reports produced to show the projected cash flow on a daily basis incorporating projected customer withdrawals, including credit disbursements, as well as deposits.

3. Financial risk management (continued)

3.4 Liquidity risk (continued)

The deposit concentration ratio is monitored monthly to ensure that decisions of individual and or groups of depositors do not severely impact on liquidity. Particular attention is given to wholesale borrowing. Due to their size, withdrawals of such funds tend to impact negatively on liquidity. As a rule, wholesale borrowing transactions are entered into as repurchase contracts where each transaction is collateralised with a treasury bill or bond. Alternatively, such transactions are contracted to support specific credits in a back-to-back transaction. The monthly deposit concentration report is examined as part of the Assets and Liabilities Committee (ALCO) process and the necessary preventive/remedial action taken.

In addition to the above, the Bank observes a defined volatile liability dependency ratio which is measured as (volatile funds – liquid assets)/long term investments. This measures the reliance on volatile funds to finance long term investments as well as other non-liquid assets. (Volatile funds are short term wholesale funds e.g. call accounts.

The table below presents the cash flows payable by the Bank 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.

3. Financial risk management (continued)

3.4 Liquidity risk (continued)

2024	Carrying Amount	Nominal Amount	Up to 1 month	1 - 3 months	3-12 months	1 - 3 years	3 - 5 years	Over 5 years
Liabilities								
Deposits from customers	12,987,313	13,131,942	2,424,415	2,111,784	4,344,883	4,250,860	-	-
Borrowed funds	1,131,795	1,512,679	178,761	217,397	-	552,410	-	564,111
Lease Liability	144,707	338,185	473	2,210	5,807	98,125	136,203	95,367
Other liabilities	1,079,782	1,079,782	45,063	396,061	129,964	508,694	-	-
Total liabilities	**15,343,597**	**16,062,588**	**2,648,712**	**2,727,452**	**4,480,654**	**5,410,089**	**136,203**	**659,478**
Assets								
Cash and bank balances	1,366,850	1,366,850	1,366,850	-	-	-	-	-
Due from other banks	1,038,516	1,039,189	1,039,189	-	-	-	-	-
Investment securities	10,318,892	18,774,861	661,297	1,529,362	320,958	-	1,486,119	14,777,125
Non-pledged trading assets	77,867	77,867	59,170	18,697	-	-	-	-
Loans and advances to customers	2,056,709	5,930,295	49,725	186,345	567,457	1,539,784	1,043,943	2,543,041
Other assets (less prepayments and stationery)	412,451	412,449	55,958	84,538	264,897	7,056	-	-
Total assets	**15,271,285**	**27,601,511**	**3,232,189**	**1,818,942**	**1,153,312**	**1,546,840**	**2,530,062**	**17,320,166**
Period Liquidity Gap			583,477	(908,510)	(3,327,342)	(3,863,249)	2,393,859	16,660,688
Cumulative Liquidity Gap			583,477	(325,033)	(3,652,375)	(7,515,624)	(5,121,765)	11,538,923

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.4 Liquidity risk (continued)

2023	Carrying Amount	Nominal Amount	Up to 1 month	1 - 3 months	3-12 months	1 - 3 years	3 - 5 years	Over 5 year
Liabilities								
Deposits from customers	10,428,028	10,544,157	1,946,659	1,695,636	3,488,678	3,413,184	-	-
Borrowed funds	979,702	1,309,402	154,739	188,182	-	478,176	-	488,305
Lease Liability	121,133	283,092	396	1,850	4,861	82,139	114,015	79,831
Other liabilities	959,125	918,887	56,444	204,772	161,325	496,346	-	-
Total liabilities	**12,487,988**	**13,055,538**	**2,158,238**	**2,090,440**	**3,654,864**	**4,469,845**	**114,015**	**568,136**
Assets								
Cash and bank balances	1,678,520	1,678,520	1,678,520	-	-	-	-	-
Due from other banks	390,951	391,204	391,204	-	-	-	-	-
Investment securities	8,309,948	15,125,651	532,763	1,232,104	258,575	-	1,197,265	11,904,944
Non-pledged trading assets	2,954	2,954	2,954	-	-	-	-	-
Loans and advances to customers	1,954,052	5,634,295	47,243	177,044	539,133	1,462,928	991,836	2,416,111
Other assets (less prepayments and stationery)*	174,947	174,947	71,042	9,273	88,929	5,703	-	-
Total assets	**12,511,372**	**23,007,571**	**2,723,726**	**1,418,421**	**886,637**	**1,468,631**	**2,189,101**	**14,321,055**
Period Liquidity Gap			**565,488**	**(672,019)**	**(2,768,227)**	**(3,001,214)**	**2,075,086**	**13,752,919**
Cumulative Liquidity Gap			**565,488**	**(106,531)**	**(2,874,758)**	**(5,875,972)**	**(3,800,886)**	**9,952,033**

The bank is able to borrow from the interbank market to fund the gaps should it crystalize.

*Other assets in prior year included stationery value of GHS6,829,542. This has been corrected.

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.4 Liquidity risk (continued)

3.4.1 Exposure to liquidity risk

The Bank holds a diversified portfolio of cash and liquid securities to support payment obligations and contingent funding in a stressed market environment. The Bank's assets held for managing liquidity risk comprise cash and balances with Bank of Ghana, placements and balances with other banks, government treasury bills and bonds, and loans and advances.

The key measure used by the Bank for managing liquidity risk is the ratio of net liquid assets to deposits from customers set out as follows:

	2024	2023
At period end	**73%**	54%
Average for the year	**65%**	73%
Maximum for the year	**73%**	89%
Minimum for the year	**56%**	42%

The Bank's liquidity reserves are represented by its cash and cash equivalents as disclosed in Note 15 with the necessary mandatory reserve which is not available to the Bank in the ordinary course of business.

3.3.5 Statutory Liquidity Breaches and non-compliance with other prudential requirements

With reference to Section 39 (1) of the Banks and Specialised Deposit-Taking Institution Act, 2016 (Act 930, the Bank breached the weekly cash reserve requirement in 2024 and was not levied by Bank of Ghana (the regulator).

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.5 Country analysis

The assets and liabilities of the Bank held inside and outside Ghana are analysed below:

	2024			2023		
	Ghana	**Outside**	**Total**	Ghana	Outside	Total
Assets						
Cash and bank balances	**1,238,927**	**127,923**	**1,366,850**	1,450,585	227,935	1,678,520
Due from other banks	**920,659**	**117,857**	**1,038,516**	390,951	-	390,951
Investment securities	**10,318,892**	**-**	**10,318,892**	8,311,771	-	8,311,771
Non-pledged trading assets	**77,867**	**-**	**77,867**	2,954	-	2,954
Loans and advances to customers	**2,056,709**	**-**	**2,056,709**	1,954,052	-	1,954,052
Intangible asset	**94,842**	**-**	**94,842**	89,914	-	89,914
Right-of-use asset	**130,357**	**-**	**130,357**	107,330	-	107,330
Property and Equipment	**341,145**	**-**	**341,145**	178,060	-	178,060
Current income tax asset	**18,011**	**-**	**18,011**	9,251	-	9,251
Deferred income tax asset	**657,251**	**-**	**657,251**	711,259	-	711,259
Other assets	**530,560**	**7,056**	**537,616**	253,965	5,702	259,667
Total assets	**16,385,222**	**252,836**	**16,638,058**	13,460,092	233,637	13,693,729
Liabilities						
Deposits from customers	**12,987,313**	**-**	**12,987,313**	10,428,028	-	10,428,028
Borrowed funds	**651,494**	**480,301**	**1,131,795**	414,579	565,123	979,702
Lease Liability	**144,707**	**-**	**144,707**	121,133	-	121,133
Other liabilities	**1,079,782**	**-**	**1,079,782**	959,125	-	959,125
Total liabilities	**14,863,296**	**480,301**	**15,343,597**	11,922,865	565,123	12,487,988

3. Financial risk management (continued)

3.6 Fair values 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.

(a) Valuation models

The Bank measures fair values using the following fair value hierarchy, which reflects the significance of the 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 premia 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.

The Bank uses widely recognised valuation models for determining the fair value of common and more simple financial instruments, such as interest rate and currency swaps that use only observable market data and require little management judgement and estimation.

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 following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.6 Fair values of financial instruments (continued)

(b) Accounting classifications and fair values

The table below sets out the bank's classification of each class of financial assets and liabilities. 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 Group has access at that date.

At 31 December 2024	**Fair value through profit or loss**	**Amortized cost**	**Total carrying amount**	**Fair value level 1**	**Fair value level 2**	**Fair value level 3**
Assets						
Cash and bank balances	-	2,405,366	2,405,366	-	2,405,366	-
Non-pledged trading	77,867	-	77,867	77,867	-	-
Investment securities	-	10,318,892	10,318,892	-	-	10,318,892
Loans and advances to customers	-	2,056,709	2,056,709	-	2,056,709	-
Other assets (less prepayments and stationery)	-	412,449	412,449	-	412,449	-
	77,867	**15,193,417**	**15,271,284**	**77,867**	**4,874,524**	**10,318,892**
Liabilities						
Deposits from customers	-	12,987,313	12,987,313	9,246,477	3,740,836	-
Borrowed funds	-	1,131,795	1,131,795	-	1,131,795	-
Lease liabilities	-	144,707	144,707	-	144,707	-
Other liabilities	-	1,079,781	1,079,781	-	1,079,781	-
	-	**15,343,596**	**15,343,596**	**9,246,477**	**6,097,119**	**-**

At 31 December 2023	Fair value through profit or loss	Amortized cost	Total carrying amount	Fair value level 1	Fair value level 2	Fair value* level 3
Assets						
Cash and bank balances	-	2,069,471	2,069,471	-	2,069,471	-
Non-pledged trading	2,954	-	2,954	2,954	-	-
Investment securities	-	8,311,773	8,311,773	-	-	8,311,773
Loans and advances to customers	-	1,954,052	1,954,052	-	1,954,052	-
Other assets (less prepayments and stationery)**	-	174,947	174,947	-	174,947	-
	2,954	12,510,243	12,513,197	2,954	4,198,470	8,311,773
Liabilities						
Deposits from customers	-	10,428,028	10,428,028	7,461,509	2,966,519	-
Borrowed funds	-	979,702	979,702	-	979,702	-
Lease liabilities	-	121,133	121,133	-	121,133	-
Other liabilities	-	959,125	959,125	-	959,125	-
	-	12,447,749	12,447,749	7,461,509	4,986,240	-

*The Bank disclosed its investment securities as Fair value level 2 in the 2023 financial statements. This has been corrected.

**The bank disclosed stationery as part of financial assets under other assets in the 2023 financial statements. This has been corrected.

All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.6 Fair values of financial instruments (continued)

(c) Financial instruments not measured at fair value (continued)

Fair value computations approximate the carrying value of the financial assets and liabilities as at the reporting date.

Financial instruments at fair value are either priced with reference to a quoted market price for that instrument or by using a valuation model. Where the fair value is calculated using a valuation model, the methodology is to calculate the expected cash flows under the terms of each specific contract and then discount these values back to a present value. The expected cash flows for each contract are determined either directly by reference to actual cash flows implicit in observable market prices or through modelling cash flows using appropriate financial-markets pricing models.

Where applicable, the fair value of loans and advances to customers is based on observable market transactions. Where observable market transactions are not available, fair value is estimated using valuation models such as discounted cash flow techniques which represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine the fair value. For collateral-dependent impaired loans, the fair value is measured based on the value of the underlying collaterals.

The fair value of cash and bank balances is based on discounted cash flow techniques applying the rates of similar maturities and terms.

The fair value of term deposits by customers is estimated using discounted cash flow techniques, applying the rates that are offered for deposits of similar maturities and terms. The fair value of deposits payable on demand is the amount payable at the reporting date.

Fair values of borrowings are estimated using discounted cash flow techniques, applying rates that are offered for borrowings of similar maturities and terms.

3. Financial risk management (continued)

3.7 Capital management

Regulatory capital

The Bank's regulator, the Bank of Ghana sets and monitors capital requirements for the Bank as a whole. In implementing current capital requirements, the Bank of Ghana requires the Bank to maintain a prescribed ratio of total capital to total risk-weighted assets.

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

- Tier 1 capital, also referred to as core/primary capital is made up of equity and disclosed reserves. Equity includes issued and fully paid ordinary share capital and perpetual non-cumulative preference shares. Disclosed reserves relate to those created or increased by appropriation of after-tax retained earnings/surplus, retained profits and general statutory reserves and does not include regulatory credit risk reserve.

- Tier 2 capital, also referred to as supplementary/secondary capital includes revaluations reserves, latent revaluation reserves and hybrid capital instruments. Latent revaluation reserves relate to unrealised gains on equity instruments classified as available-for-sale.

Various limits are applied to elements of the capital base. The qualifying tier 2 capital cannot exceed tier 1 capital.

Risk-weighted assets are determined according to specified requirements that seek to reflect the varying levels of risk attached to assets and off-balance sheet exposures.

The Bank's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognised and the Bank recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position.

The Bank complied with the statutory capital requirements throughout the period. There have been no material changes in the Bank's management of capital during this period.

Capital adequacy ratio

The capital adequacy ratio is the quotient of the capital base of the Bank and the Bank's risk-weighted asset base. In accordance with Central Bank of Ghana regulations, a minimum ratio of 13% is to be maintained. The ratio has temporarily been reduced to 10% (2023: 10%) as part of the Domestic Debt Exchange programme mitigation measures by the Bank of Ghana in 2023.

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.7 Capital management (continued)

Capital adequacy ratio (continued)

The table below summarises the composition of regulatory capital and ratios of the Bank based on the Capital Requirement Directive ('CRD') guidelines.

Note	**2024**	2023
Common Equity Tier 1 (CET1) Capital		
Ordinary share capital 27(a)	**3,087,546**	3,127,784
CET 1 Reserves		
Statutory reserve 27 (c)	**138,174**	93,815
Retained earnings 27 (b)	**(1,931,260)**	(1,975,620)
DDEP Regulatory relief	**1,538,499**	1,538,499
Total CET1 Reserves	(256,410)	(343,306)
CET1 Capital before Deductions/Adjustments	**2,832,959**	2,784,478
Less: Regulatory Adjustment to CET1 Capital		
Provisions and expected losses not provided for	**(1,153,874)**	(769,250)
Intangibles	**(837,696)**	(865,032)
CET1 Capital after Deductions	**841,389**	1,150,196
Additional Tier1 (AT1) Capital	**-**	-
Tier 1 Capital	**841,389**	1,150,196
Tier 2 Regulatory Capital	**-**	**-**
Total Regulatory Capital (Tier1 + Tier2)	**841,389**	1,150,196
Risk Profile		
Credit Risk		
On-Balance Sheet RWA	**3,303,518**	2,708,667
Off-Balance Sheet RWA	**95,339**	188,660
On & Off-Balance Sheet Trading Book RWA	-	-
Credit Risk Reserve (CRR)	-	-
Total Credit Risk Equivalent Weighted Assets	**3,398,857**	2,897,327

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.7 Capital management (continued)

Capital adequacy ratio (continued)

	2024	2023
Operational Risk		
Total Operational Risk Capital Charge	**226,944**	174,282
Total Operational Risk Equivalent Weighted Assets	**2,269,442**	1,742,821
Market Risk		
Interest Rates	**37**	17,873
Foreign Exchange	**822**	1,500
Total Market Risk Charge	**859**	19,373
Total Market Risk Equivalent Weighted Assets	**10,738**	242,163
Total for Credit Risk, Operational Risk and Market Risk		
Total RWA	**5,679,037**	4,882,311
Risk-based Capital Ratios		
Common Equity Tier 1/RWA	**14.82%**	23.56%
Tier 1/RWA	**14.82%**	23.56%
Tier 2/RWA	**-**	-
Capital Adequacy Ratio (CAR)	**14.82%**	**23.56%**
Minimum Capital Requirement		
Minimum Capital Requirement	10%	10%
Prudential Minimum (with Capital Conservation Buffer)	10%	10%
Surplus Minimum Capital		
Surplus/(deficit) to Minimum Capital	**4.82%**	13.56%
Surplus/(deficit) to Prudential Minimum Capital	**4.82%**	13.56%

	2024	2023
Tier 1 Leverage Ratio		
Off-Balance Sheet Exposures	**479,512**	466,941
On-Balance Sheet Exposures	**16,638,054**	13,691,904
Total Exposures	**15,125,995**	12,524,564
Leverage Ratio	**5.56%**	9.18%

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.7 Capital management (continued)

Capital adequacy ratio (continued)

Bank of Ghana Regulatory Reliefs

Banks that participated in the Domestic Debt Exchange Programme (DDEP) in 2023 experienced a notable negative impact on their equity and capital adequacy. In response to this challenge and to uphold financial stability, the Bank of Ghana (BoG) announced regulatory and solvency reliefs on January 5th, 2023, for banks that fully engaged in the DDEP. These reliefs became effective on December 31st, 2022. The relief measures include the following:

Solvency Reliefs

- Capital Conservation Buffer (CCB): Reduction of CCB from 3% to zero, effectively reducing the minimum Capital Adequacy Ratio (CAR) from 13% to 10%

- Derecognition of losses: Derecognition losses emanating from the Debt Exchange shall be spread equally over a period of four (4) years for the purpose of CAR and Net Own Funds computation.

- Restoration of paid-up capital: Banks have a maximum of four (4) years to restore minimum paid-up capital as a result of any capital shortfall arising solely from the derecognition losses.

- Tier II component of regulatory capital: Increase in Tier II component of regulatory capital from 2% to 3% to Total Risk Weighted Assets (RWA).

- Common Equity Tier 1 (CET1): Reduction of minimum CET1 capital from 6.5% to 5.5% of Total RWA.

- Property revaluation gains in capital computation: Increase in allowable portion of property revaluation gains for Tier II capital computation, from 50% to 60%. The Bank's capital is assessed to be adequate for planned growth.

The Bank's capital adequacy without regulatory reliefs stands at 7.96%. However, with the application of regulatory reliefs, the capital adequacy increases to 14.82%.

(All amounts are in thousands of Ghana cedis)

3. Financial risk management (continued)

3.7 Capital management (continued)

Capital adequacy ratio (continued)

Capital allocation

The allocation of capital between specific operations and activities is largely driven by optimisation of the return achieved on the capital allocated. The amount of capital allocated to each operation or activity is based primarily upon the regulatory capital, but in some cases the regulatory requirements do not reflect fully the varying degree of risk associated with different activities. In such cases the capital requirements may be flexed to reflect differing risk profiles, subject to the overall level of capital to support a particular operation or activity not falling below the minimum required for regulatory purposes. The process of allocating capital to specific operations and activities is undertaken independently of those responsible for the operation, by the Bank's Risk Management and Credit Administration Units, and is subject to review by the Bank's Credit Committee or ALCO as appropriate.

Although maximisation of the return on risk-adjusted capital is the principal basis used in determining how capital is allocated within the Bank to operations or activities, it is not the sole basis used for decision making. Account also is taken of synergies with other operations and activities, the availability of management and other resources, and the fit of the activity with the Bank's longer term strategic objectives.

The Bank's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

3.8 Operational risk

'Operational risk' is the risk of direct or indirect loss that the Bank will suffer due to an event or action resulting from the failure of its internal processes, people and systems, or from external events. Key operational risks are managed in a timely and effective manner through a framework of policies, procedures and tools to identify, assess, monitor, control and report such risks. The Bank manages its operational risk at three distinct levels, each with clearly defined roles and responsibilities as follows:

3.8.1 Business Units and Support Functions

Business Units and Support Functions are responsible for understanding the operational risk inherent in their material products, activities, processes and systems. They are responsible for the consistent implementation of the operational risk management framework on a day-to day basis. This includes identifying the risks, establishing controls, and managing the risks in accordance with the Bank's overall risk tolerance and operational risk policies.

3.8.2 Operational Risk Department

The department has direct responsibility for formulating and implementing the Bank's operational risk framework including methodologies, policies and procedures approved by the Board. The department works with the Business Units and Support Functions to ensure that the day-to-day operations of the Bank are in line with the approved

Operational risk policies. The unit provides trainings and workshops to facilitate interpretation and implementation of the various operational risk programs. The department continuously monitors the effectiveness and the quality of the controls and risk mitigation tools.

3.8.3 Internal Audit

The mission of Internal Audit is to provide an independent assurance of the design and effectiveness of internal controls over the risks to the Bank's business performance. In carrying out this function, Internal Audit provides specific recommendations for improving the governance, risk & control framework. The role of the Internal Audit function is to conduct regular independent evaluation and review of the Bank's policies, procedures and practices in relation to the Operational risk policy and report the results to the Board.

(All amounts are in thousands of Ghana cedis)

4. Critical accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis for making the judgement about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying values of the assets and liabilities within the next financial year are discussed below.

(a) Measurement of the expected credit loss allowance

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios and the associated ECL.

Refer to Note 2.8 and 3.2 for further details on these estimates and judgements.

(b) Fair value of financial instruments

The fair value of a financial instrument is determined by reference to the quoted bid price or asking price (as appropriate) in an active market. Where the fair value of financial assets and financial liabilities recorded in the statements of financial position cannot be derived from an active market, it is determined using a variety of valuation techniques including the use of prices obtained in recent arms' length transactions, comparison to similar instruments for which market observable prices exist, net present value techniques and mathematical models. Input to these mathematical models is taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Refer to Note 2.8 for further details on these estimates and judgements.

(c) Income taxes

Significant estimates are required in determining the provision 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 audit issues 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 will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred income tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred income tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

4. Critical accounting judgements, estimates and assumptions (continued)

(d) Lease term

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

The following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the group is typically reasonably certain to extend (or not terminate).
- Otherwise, the Bank considers other factors including historical lease durations and the costs and business disruption
- required to replace the leased asset.

The lease term is reassessed if an option is exercised (or not exercised) or the Bank becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

(All amounts are in thousands of Ghana cedis)

5. Interest income

	2024	2023
Loans and advances to customers	**490,243**	501,573
Placement with other banks	**153,555**	3,965
Investment securities	**1,421,636**	1,228,965
	2,065,434	1,734,503

6. Interest expense

Demand deposits	**140,631**	101,584
Savings deposits	**39,641**	32,524
Time and other deposits	**616,958**	466,932
Borrowed funds	**104,442**	459,419
Finance cost - lease liability	**20,575**	11,241
	922,247	1,071,700

7. Fee and commission income

Trade fees	**121,748**	58,475
Alternate channel fees	**45,715**	43,211
Loan related fees	**21,221**	22,991
Remittance fees	**41,935**	17,293
Banking charges	**40,820**	32,899
	271,439	174,869

8. Fee and commission expense

Alternate channel expenses	**20,136**	13,231
Transfer charges	**4,475**	2,396
Bank charges	**2,732**	2,014
	27,343	17,641

9. Net trading income

Net foreign exchange gain	**131,134**	119,619
Fixed Income Trading	**19,673**	11,130
	150,807	130,749

10. Other operating income

Gain on asset disposal – Note 21 (b)	**1,724**	1,063
Service fee – Receivership payment project *	**24,072**	-
Other miscellaneous income **	**15,106**	3,955
	40,902	5,018

(All amounts are in thousands of Ghana cedis)

10. Other operating income (continued)

* In 2024, the Bank recognised this fee for a one-off transaction agreement between the Receiver and the Bank where the Bank used its branch networks to aid payments to depositors of defunct microfinance companies.
** Included in 2024 miscellaneous income is compliance reward of 8million Ghana cedis.

11. Impairment losses on financial assets

	2024	2023
a) Impairment release on loans and advances	**4,130**	23,142

b) Impairment release/(loss) on other financial assets

	2024	2023
Impairment release / (loss) on investment securities	**28,258**	(646,061)
Impairment loss on off balance sheet items	**(2,374)**	(251)
Impairment charge on other assets	**-**	-
	25,884	(646,312)

12. Personnel expenses

	2024	2023
Wages, salaries and allowances	**547,837**	389,130
Social security obligations	**36,304**	25,825
Provident fund contribution	**27,769**	19,777
Staff loan fair valuation expense	**27,628**	10,783
Other staff cost	**82,185**	60,484
	721,723	505,999

13. Other expenses

	2024	2023
Occupancy costs	**49,636**	64,979
Information Technology expenses	**170,823**	134,151
Directors' emoluments	**2,259**	3,044
Auditor's remuneration	**1,036**	1,085
General and administrative expenses	**382,970**	241,832
	606,724	445,091

(All amounts are in thousands of Ghana cedis)

14. Income tax expense

Current income tax charge – (Note 14 (a))	**44**	-
Deferred income tax charge/(credit) - (Note 22)	**54,007**	(171,747)
	54,051	(171,747)

(a) Income tax	Balance at 1/1/2023	Charge for the year	Payments during the year	Extra Charge / Refunds received during the year	Balance at 31/12/2024
2023	(9,251)	-	-	-	(9,251)
2024	-	44	(12,220)	3,416	(8,760)
	(9,251)	**44**	**(12,220)**	**3,416**	**(18,011)**

(b) Growth and sustainability levy	Balance at 1/1/2023	Charge for the year	Payments during the year	Extra Charge / Refunds received during the year	Balance at 31/12/2024
2023	(3,345)	-	-	-	(3,345)
2024	-	8,003	(8,711)	-	(708)
	(3,345)	**8,003**	**(8,711)**	**-**	**(4,053)**

(c) Financial sector recovery levy	Balance at 1/1/2023	Charge for the year	Payments during the year	Extra Charge / Refunds received during the year	Balance at 31/12/2024
2023	(3,929)	-	-	-	(3,929)
2024	-	8,003	(8,711)	1,283	575
	(3,929)	**8,003**	**(8,711)**	**1,283**	**(3,354)**

*Ghana Revenue Authority conducted tax audit for the period 2021 to 2023 Years of Assessment, in the current year.

(All amounts are in thousands of Ghana cedis)

(d) Tax reconciliation

Tax on the Bank's loss before income tax differs from the theoretical amounts as follows:

	2024	2023
Profit/(Loss) before income tax and levies	**160,058**	(712,885)
Add: Non-deductible expenses	**211,012**	662,945
Less: Deductible expenses	**(594,322)**	(117,147)
	(223,252)	(167,087)
Prior period unrelieved tax loss	**(164,748)**	-
Chargeable loss	**(388,000)**	**(167,087)**
Tax payable at 25%	-	-
Add:		
Prior periods tax audit charge	**44**	-
Income tax charge (a)	**44**	-
Deferred income tax		
Temporary differences on:		
Allowance on depreciable assets	**30,865**	4,429
Carried forward tax losses	**(220,912)**	(167,087)
Impairment losses	**381,917**	(512,281)
Leases	**(547)**	12,814
Fair value on investment securities	**(156)**	(2)
Deferred finance cost	**24,861**	(24,861)
	216,028	(686,988)
Taxable at 25% (b)	**54,007**	(171,747)
Income tax expense/(credit) (a+b)	**54,051**	(171,747)
Effective tax rate	33.59%	-

-

The difference between the effective income tax rate of 33.59% and 25% is due to tax permanent difference comprising non-deductible expenses (8.51%) and the effect of adjustments following a tax audit on 2023 tax computations (0.08%).

This detailed tax reconciliation was not provided in the comparative year.

15. Cash and bank balances

	2024	2023
Cash on hand	**766,142**	530,758
Balances with Bank of Ghana	**471,383**	919,404
Balances with local and foreign Banks – Nostro balances	**129,325**	228,358
Balances with Banks – Placements	**1,038,516**	390,951
	2,405,366	2,069,471

An amount of GHS 340,953,180 was maintained with Bank of Ghana (2023: GHS 801,095,398) representing the mandatory cash reserve as per the weekly Banking Supervision Department (BSD1) returns for the week ending 8 January 2024 (2023: 10 January 2023).

(All amounts are in thousands of Ghana cedis)

15. Cash and bank balances (continued)

Cash and bank balances for purposes of the statement of cash flows

	2024	2023
Cash on hand	**766,142**	530,758
Balances with Bank of Ghana	**471,383**	919,404
Balances with local and foreign Banks – Nostro balances	**129,325**	228,358
Balances with Banks – Placements	**1,038,516**	390,951
Treasury bills maturing within 90 days [1]	**1,483,015**	344,979
	3,888,381	2,414,450

[1] Refer to note 33

16. Investment securities*

	2024	2023
Government of Ghana bonds	**8,314,076**	8,159,779
Treasury bills	**2,209,013**	870,983
Corporate bonds	**8,811**	-
Expected credit loss	**(213,008)**	(718,991)
At 31 December (net)	**10,318,892**	8,311,771

*Government of Ghana bonds which were Purchased Originated Credit Impaired were reported as gross with its derecognition loss as part of ECL in the comparative year. This has been corrected.

The movement on impairment allowance on investments is as follows:	**2024**	2023
At 1 January	**718,991**	1,775,530
Derecognition on exchange	**(144,604)**	(1,702,601)
Write off	**(333,120)**	-
Impairment (release)/charge	**(28,258)**	646,062
At 31 December	**213,008**	718,991

(All amounts are in thousands of Ghana cedis)

16. Investment securities (continued)

Analysis of investment securities by tenor	**2024**	2023
Maturing within 91 days of acquisition	**1,483,015**	376,551
Maturing after 91 days but within 182 days of acquisition	**197,749**	235,753
Maturing after 182 days of acquisition	**606,275**	242,847
Maturing after 1 year but within 3 years of acquisition	**8,811**	-
Maturing after 3 years but within 5 years of acquisition	**2,682,901**	2,524,263
Maturing after 5 years of acquisition	**5,553,149**	5,651,348
Gross total	**10,531,900**	9,030,762
Impairment loss on investment securities	**(213,008)**	(718,991)
At 31 December	**10,318,892**	8,311,771

Eurobond
In the year ended 31 December 2024, the bank participated in the Government of Ghana Eurobond Restructuring Programme (GGERP). The GGERP agreements in principle (AIP) offered two alternatives to bondholders, a Par option and a Disco option. The par option offered a new bond in exchange for the old bonds at a coupon rate of 1.5% per annum without nominal hair and a post-default interest note for interest accrued up to December 2023. Maturity of the new bond under the par option was 2037. The Disco option exchanged the old bonds for three new bonds and a PDI note after adjusting the principal value of the old bond by a nominal haircut of 37%. The new bonds offer coupon rates from 5% to 6%. These bonds also had maturities from 2029 to 2035.

The bank opted for a combination of both Disco and the Par option and the new bonds were issued to bondholders on 9 October 2024.

Classification and measurement

The Bonds were designated as financial assets at amortised cost. The table below shows the carrying value, fair value and the derecognition loss at the time of the exchange. The different bonds were not each modified in contemplation of their respective terms and conditions but were instead replaced by a new uniform debt structure of 5 bonds with a 37% haircut on the old asset. Consequently, the old assets had be derecognised, and a new asset recognised for the new bonds

Description	**GHs'000**
Carrying amount at 9 October, 2024	**621,619**
Fair value of Eurobond exchanged	**477,015**
Additional ECL on derecognition	**144,604**

Fair value measurement

The bank classified the recognition of new instruments in the exchange as level 3 assets in the fair valuation hierarchy. The bank considered the role of the non-market adjustment to the rates and deemed the valuation at level 3. The fair value of the bonds in the exchange were determined using significant unobservable inputs. The table below shows the valuation technique and the significant unobservable inputs

(All amounts are in thousands of Ghana cedis)

16. Investment securities (continued)

Fair value measurement (continued)

Valuation technique	Unobservable input	Input range
Income approach using Discounted Cashflow	Discount rate	8.56% - 10.33%

The discounted cashflow method was chosen because of the following reasons:

1. The principal and coupon cashflow from the instrument can be readily ascertained
2. The discount rate estimation could be assessed using Ghana's risk-adjusted borrowing cost and sovereign credit or the United States long-term treasuries plus risk premiums.

The following variables in estimating the market discount rate were used in valuing the Eurobonds:

- Base Rate (U.S. Risk-Free Rate): Since Ghana's Eurobonds are denominated in U.S. dollars (USD), the valuation starts with a risk-free rate based on U.S. 10-year Treasury yields.
- Sovereign Credit Spread (Default Risk Premium): Ghana's sovereign credit risk premium reflected the additional return required by investors due to the possibility of default. The spread between the 2024 yield on the 10-year US Treasury and the weighted average of yields on GOG Eurobonds issued between 2018 and 2021.
- Liquidity Premium (Marketability Risk): Due to Ghana's restructuring, its Eurobonds lack liquidity as trading of these investments may be slow.
- Inflation and Country Risk Premium: Ghana's macroeconomic instability, including high inflation, currency depreciation, and political risks, affects investor return expectations.
- Based on the parameters above, the discount rates ranged from 8% to 11% depending on the percentage point within the range where liquidity and country risk premium was being assessed. This range compared reasonably to other modelled market yields quoted by Bloomberg, Bondblox, and Refinitiv.

The bank adopted the average of the modelled market yields quoted by Bloomberg, Bondblox, and Refinitiv as the discount rate.

All amounts are in thousands of Ghana cedis)

16. Investment securities (continued)

Sensitivity analysis of expected credit loss

The bank conducted a sensitivity test of the fair value of the bonds in the exchange for changes in the significant unobservable inputs. The table below shows the impact of a percentage change in the discount rate used in the fair valuation of the new bonds on the adjustment to the ECL on the old bonds immediately prior to their derecognition.

Case	2024 ECL (GHs'000)
Base	144,604
1% increase	163,723
1% decrease	118,087

Eurobond Reconciliation

	Stage 1	Stage 2	Stage 3	POCI	Total
Gross amount as at 31 December 2023			670,104		670,104
Changes in the gross amount	-	-	-	-	-
Gross carrying amount as at 1 January 2024	**-**	**-**	**670,104**	**-**	**670,104**
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
New financial assets originated or purchased	-	-	-	477,015	477,015
Effects of exchange rate movement	-	-	233,885	(36,001)	197,884
Interest Accrued on Effective Interest Rate	-	-	50,750	10,604	61,354
Financial assets that have been derecognised	-	-	(621,619)	-	(621,619)
write-off	-	-	(333,120)	-	(333,120)
Paydowns				(21,338)	(21,338)
Gross Carrying Amount at 31 December 2024	**-**	**-**	**-**	**430,280**	**430,280**
Changes in ECL since initial recognition	-	-	-	-	-
Net Carrying Amount	**-**	**-**	**-**	**430,280**	**430,280**

Collateral accepted as security for assets

At 31 December 2024, the Bank had pledged GH¢781,308,630 (2023: GH¢348,131,702) of its investments in Government securities. The Bank has not received collateral that it is permitted to sell or re-pledge in case of default by counterparties.

All amounts are in thousands of Ghana cedis)

17. Non-pledged trading assets

	2024	2023
Treasury bills	**78,025**	2,956
Government of Ghana bonds		
Gross	**78,025**	2,956
Fair value loss position on hold to sell investment securities	**(158)**	(2)
At 31 December (net)	**77,867**	2,954

The changes in fair value recognised in other comprehensive income for the year was *Nil (2023: Nil)*

Analysis of Non-pledged trading assets by tenor	**2024**	2023
Maturing within 91 days of acquisition	**31,099**	2,956
Maturing after 91 days but within 182 days of acquisition	**1,613**	-
Maturing after 182 days of acquisition	**45,313**	-
Gross total	**78,025**	2,956
Fair value loss on hold to sell investment securities	**(158)**	(2)
At 31 December	**77,867**	2,954

18. Loans and advances to customers

	2024	2023
Loans and advances to customers at amortised cost	**2,373,497**	2,276,305
Less allowance for impairment	**(316,788)**	(322,253)
Loans and advances to customers at amortised cost	**2,056,709**	1,954,052
Current	**821,512**	190,566
Non-current	**1,235,197**	1,763,486
	2,056,709	1,954,052

(a) Loans and advances to customers at amortised cost

At 31 December 2024	**Gross**	**Impairment**	**Carrying**
Individual customers	**627,220**	**(85,170)**	**542,050**
Corporate customers	**1,746,277**	**(231,618)**	**1,514,659**
	2,373,497	**(316,788)**	**2,056,709**

At 31 December 2023	Gross	Impairment	Carrying
Individual customers	491,759	(28,869)	462,890
Corporate customers	1,784,546	(293,384)	1,491,162
	2,276,305	(322,253)	1,954,052

(a) Allowances for impairment

	2024	2023
Balance at the beginning of the reporting year	**322,253**	345,395
Release for the year	**(4,130)**	(23,142)
Write offs	**(1,335)**	
Total allowances for impairment	**316,788**	322,253

(All amounts are in thousands of Ghana cedis)

19. Intangible assets

	Capital work-in progress	Software	Total
Cost			
At 1 January 2024	63,391	80,615	144,006
Additions	1,623	25,777	27,400
Transfers	(52,201)	52,201	
Transfer to prepayment*	(3,162)	-	(3,162)
At 31 December 2024	**9,651**	**158,593**	**168,244**
Accumulated Amortization			
At 1 January 2024	-	54,091	54,091
Charge for the year	-	19,311	19,311
At 31 December 2024	**-**	**73,402**	**73,402**
Carrying amount at 31 December 2024	**9,651**	**85,191**	**94,842**

	Capital work-in progress [2]	Software	Total
Cost			
At 1 January 2023	26,689	75,363	102,052
Additions	38,448	3,506	41,954
Transfers	(1,746)	1,746	-
At 31 December 2023	**63,391**	**80,615**	**144,006**
Accumulated Amortization			
At 1 January 2023	-	37,830	37,830
Charge for the year	-	16,262	16,262
At 31 December 2023	**-**	**54,092**	**54,092**
Carrying amount at 31 December 2023	**63,391**	**26,523**	**89,914**

[2] Refer to note 33
*Transfer to prepayment: This was prepayment for software solution recognised in Work in Progress in the prior year. The correction has no impact on the profitability and Total asset position.

20. Leases

The statement of financial position shows the following amounts relating to leases where the Bank is a lessee:

Right-of-use assets

	2024	2023
Cost		
At 1 January	**234,240**	176,485
Additions	**63,194**	106,271
Remeasurement*	**9,620**	(50,576)
Derecognition	**(90,532)**	-
At 31 December	**216,522**	232,180
Accumulated depreciation		
At 1 January	**(126,910)**	(79,008)
Charge for the year	**(49,787)**	(45,842)
Remeasurement*	**-**	-
Derecognition	**90,532**	-
At 31 December	**(86,165)**	(124,850)
Net book amount	**130,357**	107,330

*Portion of Remeasurement of ROU assets was disclosed through accumulated depreciation in the comparative year instead of cost. This has been corrected.

	2024	2023
Lease Liabilities		
Balance at 1 January	**121,133**	124,094
Additional lease liability recognised in current year*	**63,821**	84,483
Write off	**(3,410)**	-
Remeasurement of lease liability*	**9,620**	(50,576)
Finance cost on lease liability	**20,575**	11,241
Losses from currency translation	**14,160**	26,011
Total lease payments	**(81,192)**	(74,120)
	144,707	121,133
Current	**45,864**	42,690
Non-current	**98,843**	78,443
	144,707	121,133
Amounts recognised in profit or loss		
Depreciation charge of right-of-use of assets - Buildings	**49,787**	45,842
Interest expense on lease liabilities	**20,575**	11,241
Remeasurement gain on Lease Liability	**(3,410)**	-
Expense relating to short term and low value leases (included in administrative expenses)	**6,897**	7,727
Exchange loss on lease liability	**14,160**	26,011

* The bank reported remeasurement of lease liability as net of additional lease liability in the comparative year. This has been corrected.

(All amounts are in thousands of Ghana cedis)

21. Property and equipment

	Land and building	Leasehold improvement	Furniture and equipment	Computers	Motor vehicles	Capital Work in Progress	Total
Cost							
Balance at 1 January 2024	75,354	45,288	95,152	60,016	18,185	6,297	**300,292**
Additions during the year	4,645	20,083	27,993	75,918	27,614	58,790	**215,043**
Disposals during the year	-	-	(267)	(27)	(3,265)	-	**(3,559)**
Transfers	-	4,266	25	1,912	-	(6,203)	-
Balance at 31 December 2024	79,999	69,637	122,903	137,819	42,534	58,884	**511,776**
Accumulated depreciation							
Balance at 1 January 2024	11,141	10,027	54,223	36,424	10,417	-	**122,232**
Charge for the year	2,065	10,939	15,905	17,354	5,140	-	**51,403**
Disposals during the year	-	-	(263)	(19)	(2,722)	-	**(3,004)**
Balance at 31 December 2024	13,206	20,966	69,865	53,759	12,836	-	**170,631**
Net book value At 31 December 2024	**66,793**	**48,671**	**53,038**	**84,060**	**29,699**	**58,884**	**341,145**

	Land and building	Leasehold improvement	Furniture and equipment	Computers	Motor vehicles	Capital Work in Progress [2]	Total
Cost							
Balance at 1 January 2023	75,354	19,857	75,849	50,473	17,586	15,307	254,426
Additions during the year	-	12,326	17,817	9,340	2,164	5,784	47,431
Disposals during the year	-	-	-	-	(1,565)	-	(1,565)
Transfers	-	13,105	1,486	203	-	(14,794)	-
Balance at 31 December 2023	75,354	45,288	95,152	60,016	18,185	6,297	300,292
Accumulated depreciation							
Balance at 1 January 2023	9,084	3,197	42,582	27,148	9,388	-	91,399
Charge for the year	2,057	6,830	11,641	9,276	2,514	-	32,318
Disposals during the year	-	-	-	-	(1,485)	-	(1,485)
Balance at 31 December 2023	11,141	10,027	54,223	36,424	10,416	-	122,232
Net book value at 31 December 2023	64,213	35,261	40,929	23,592	7.768	6,297	178,060

[2] Refer to note 33

There was no indication of impairment of property and equipment held by the Bank at 31 December 2024. None of the property and equipment of the Bank had been pledged as security for liabilities and there were no restrictions on the title of any of the Bank's property and equipment at the reporting date.

(All amounts are in thousands of Ghana cedis)

21. Property and equipment (continued)

(a) Depreciation and amortisation	**2024**	2023
Right-of-use assets (Note 20)	**49,787**	45,842
Property, plant and equipment (Note 21)	**51,403**	32,318
Intangible assets (Note 19)	**19,311**	16,262
	120,501	94,422
(b) Profit on disposal		
Cost	**3,559**	1,565
Accumulated depreciation	**(3,003)**	(1,486)
Carrying amount	**556**	79
Proceeds from disposal	**2,280**	1,144
Profit on disposal	**1,724**	1,065

22. Deferred income tax

Deferred tax assets and liabilities are attributable to the following:

Year ended 31 December 2024	**Assets**	**Liabilities**	**2024 Net**
Property and equipment	-	(9,569)	**(9,569)**
Impairment provisions	566,194	-	**566,194**
Leases	3,587	-	**3,587**
Fair value investment securities	39	-	**39**
Deferred finance cost	-	-	**-**
Carry forward tax losses	97,000	-	**97,000**
Net deferred income tax assets	**666,820**	**(9,569)**	**657,251**

Year ended 31 December 2023	Assets	Liabilities	2023 Net
Property and equipment	-	(1,853)	(1,853)
Impairment provisions	661,673	-	661,673
Leases	3,452	-	3,452
Deferred finance cost	6,215	-	6,215
Carry forward tax losses	41,772	-	41,772
Net deferred income tax assets	713,112	(1,853)	711,259

(All amounts are in thousands of Ghana cedis)

22. Deferred income tax (continued)

Movements in deferred income tax balances

Year ended 31 December 2024	**Balance at 1 January 2024**	**Recognised in profit or loss**	**Recognised in Other comprehensive income**	**At 31 December 2024**
Property and equipment	(1,853)	(7,716)	-	**(9,569)**
Impairment provisions	661,673	(95,479)	-	**566,194**
Leases	3,452	135	-	**3,587**
Carry forward tax losses	41,772	55,228	-	**97,000**
Fair Value on Investment Securities	-	39	-	**39**
Deferred finance cost	6,215	(6,215)	-	**-**
	711,259	**(54,007)**	**-**	**657,251**

Year ended 31 December 2023	Balance at 1 January 2023	Recognised in profit or loss	Recognised in other comprehensive income	At 31 December 2023
Property and equipment	(745)	(1,108)	-	(1,853)
Impairment provisions	533,603	128,070	-	661,673
Leases	6,654	(3,202)	-	3,452
Carry forward tax losses	-	41,772	-	41,772
Deferred finance cost	-	6,215	-	6,215
	539,512	171,747	-	711,259

Recognised deferred income tax

Recognition of deferred income tax assets of GH¢ 657,252,024 (2023: GH¢ 711,258,971) is based on management's profit forecasts for three years, which indicate that it is probable that the Bank will have future taxable profits against which these assets can be utilised.

23. Other assets

	2024	2023
Clearing balances	**261,010**	66,305
Electronic cards settlement	**100,703**	12,438
Prepayments	**115,382**	77,888
Due from Money Transfer Operators	**5,433**	40,247
Stationery	**9,783**	6,832
Others	**45,305**	191,972
Gross	**537,616**	395,682
Impairment on other assets	**-**	(136,015)
	537,616	259,667

An amount of GHS136,015,000 in other assets was written off in the current year.

(All amounts are in thousands of Ghana cedis)

24. Customer deposits

	2024	2023
Demand deposits	**6,506,124**	5,529,669
Savings deposits	**2,740,353**	1,931,840
Term deposits	**3,740,836**	2,966,519
	12,987,313	10,428,028
Analysis by type of depositors		
Financial institutions (regulated)	**877,580**	973,511
Individual and other private enterprises	**10,791,927**	8,314,347
Public enterprises	**1,317,806**	1,140,170
	12,987,313	10,428,028
20 largest depositors to total deposit ratio	**27%**	30%

25. Borrowed funds

Long Term Borrowed Funds	**2024**	2023
Development Bank Ghana Limited	**265,006**	146,105
ECOWAS Bank for Investment and Development (EBID)	**480,301**	517,449
	745,307	663,554
Short Term Borrowed Funds		
Interbank	**386,488**	316,148
	1,131,795	979,702
Current	**386,488**	316,148
Non-current	**745,307**	663,554
	1,131,795	979,702

Development Bank Ghana Limited: This facility is granted by Development Bank Ghana for on-lending to the private sector development. Interest rate on these facilities is between 10.0% - 16.87% per annum maturing in 2032.

ECOWAS Bank for Investment and Development (EBID): This facility is granted by Ecowas Bank for Investment and Development for on-lending to the private sector development. Interest rate on these facilities is between 5.70% per annum maturing in 2027

Interbank: These are short term borrowings for the purposes of liquidity management. Interest rates of these facilities is between 5.3% - 27.82% with maturities between 30 to 182 days.
(All amounts are in thousands of Ghana cedis)

(All amounts are in thousands of Ghana cedis)

26. Other liabilities

	2024	2023
Accruals	**87,633**	54,624
Payables [3]	**577,456**	602,441
Due to GH-Link and Master Card	**287,641**	135,672
Deferred Fee income	**33,902**	30,204
Others	**93,150**	136,184
	1,079,782	959,125
Current	**689,384**	539,785
Non-current	**390,398**	419,340
	1,079,781	959,125

3 Refer to note 33

Deferred Fee income refers to fees charged on contracts for contingent assets which include financial guarantee contracts, loan commitments, letters of credit with an average maturity of less than one year. This fee will be recognised when these contracts materialize.

27. Capital and reserves

(a) Stated capital

	2024		2023	
	No. of shares	**Proceeds**	No. of shares	Proceeds
Authorised				
Ordinary shares of no par value	100,000,000		100,000,000	
Issued and fully paid up capital:				
Ordinary shares of no par value	341,814	3,087,546	125,813	3,087,546 [3]

The Bank received additional capital of GH¢2,500,000,000 in the form of Government bonds in 2023 following the adverse impact of the DDEP. This was after the shareholder's approval and issuance of Government of Ghana marketable bonds on December 13, 2023.

There is no unpaid liability on any ordinary shares and there are no calls or instalments unpaid at 31 December 2024. There were no shares held in treasury at the year end. (2023: Nil).

3 Refer to note 33

(b) Retained earnings

This represents the retained cumulative earnings that are available for distribution to shareholders.

(c) Statutory reserve

This reserve represents amounts set aside as a non-distributable reserve from annual profits in accordance with Section 34 of the Banks and Specialised Deposit-Taking Institutions Act, 2019 (Act 930) and guidelines from the Central Bank. A transfer of GH¢44,359,252 was made to the statutory reserve fund in the current year (2023: Nil). The cumulative balance on the statutory reserve fund is GH¢138,174,110 at the year end.

27. Capital and reserves (continued)

(d) Fair value reserve

Fair value reserve represents unrealised gains or losses arising from changes in the fair value of financial assets measured at fair value through other comprehensive income.

28. Dividends

The Directors do not recommend the payment of a dividend for the period ended 31 December 2024.

(All amounts are in thousands of Ghana cedis)

29. Contingencies and commitments

(a) Claims and litigation

The Bank is defending legal actions brought by various persons for claims. No provision in relation to these claims has been recognised in the financial statements as legal advice indicates that it is not probable that a significant liability will arise to the Bank.

(b) Contingent liabilities and commitments

The Bank conducts business involving acceptances, performance bonds and indemnities. The majority of these facilities are offset by corresponding obligations of third parties. Contingent liabilities and commitments comprise acceptances, guarantees and letters of credit.

Nature of instruments

An acceptance is an undertaking by a bank to pay a bill of exchange drawn on a customer. The Bank expects most acceptances to be presented, but reimbursement by the customer is normally immediate.

Guarantees and letters of credit are given as security to support the performance of a customer to third parties. As the Bank will only be required to meet these obligations in the event of the customer's default, the cash requirements of these instruments are expected to be considerably below their nominal amounts.

Other contingent liabilities include transaction related to performance bonds and are, generally, short term commitments to third parties which are not directly dependent on the customer's creditworthiness.

Documentary credits commit the Bank to make payments to third parties, on production of documents, which are usually reimbursed immediately by customers.

The following tables summarise the nominal principal amount of contingent liabilities and commitments with off balance sheet risk:

	2024	2023
Letters of credit	**238,087**	41,580
Letters of guarantee	**142,416**	382,780
Undrawn commitments	**99,009**	42,581
	479,512	466,941

(c) Commitments for capital expenditure

At 31 December 2024, the Bank had no commitments for capital expenditure.

(All amounts are in thousands of Ghana cedis)

30. Regulatory disclosures

(i) Non-performing loans ratio

Percentage of gross non-performing loans ("substandard to loss") to total credit/advances portfolio (gross) was 12.50% (GHs 302,638,713) as at 31 December 2024 (2023: 15.03%; GHs 345,215,577).

(ii) Amount of loans written-off

An amount of GHs1,335,103 was written off as uncollectible during the period (2023: Nil).

(iii) Breaches in statutory liquidity

With reference to Section 39 (1) of the Banks and Specialised Deposit-Taking Institution Act, 2016 (Act 930, the Bank is expected to meet cash reserve requirement of 25% in 2024. However, this requirement was waived by Bank of Ghana (the regulator).

(iv) Capital Adequacy Ratio

The Bank's capital adequacy ratio at 31 December 2024 was 14.82% (2023: 23.52%).

(v) Liquid Ratio

The Bank's liquid ratio at 31 December 2024 was 73% (2023: 54%).

(vi) Regulatory risk reserve

Regulatory credit risk reserve represents the cumulative amounts required to meet the Bank of Ghana guidelines for loan impairment provision. The Bank of Ghana requires a transfer from retained earnings to regulatory credit risk reserve when the expected credit loss under IFRS 9 is less than the impairment allowance required by the Bank of Ghana prudential guidelines and in accordance with the Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930).

As at 31 December 2024, impairment allowance required by the Bank of Ghana prudential guidelines was lower than the expected credit loss under IFRS 9. No transfer to Regulatory risk reserve has been made (2023: Nil).

30. Regulatory disclosures (continued)

31. Related parties

Parties are related if one party can control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both.

Directors' emoluments

In line with section 185 of the Companies Act, 2019 (Act 992), the following are the aggregate of the Directors' emoluments:

	2024	*2023*
Directors Fees	**1,143**	1,348
Directors Sitting Allowances	**1,116**	1,696
Total	**2,259**	3,044

Key management compensation

Key management personnel are defined as persons having authority and responsibility for planning, directing and controlling the activities of Consolidated Bank Ghana LTD.

	2024	2023
Salaries and short-term employee benefits	**37,481**	32,614
Social security fund contribution	**3,254**	2,127
Provident fund contribution	**2,503**	1,636
	43,238	36,377
Loans with key management personnel		
Loans outstanding at the beginning of the period	**12,996**	7,443
Net movement during the period	**13,027**	5,553
	26,023	12,996
Net interest earned	**1,481**	656

Loans include mortgage loans and personal loans. Loans granted to employees and executive directors are granted at a concessionary rate of 5%. No specific impairments have been recognised in respect of loans granted to key management at the reporting date (2023: nil).

	2024	2023
Deposits and current accounts with key management personnel		
Deposits outstanding at the beginning of the period	**8,959**	15,155
Net movement during the period	**3,733**	(6,195)
	12,692	8,960
Net interest expense	**1,131**	996

(All amounts are in thousands of Ghana cedis)

32. Cash generated from operations

	Note	2024	2023
Profit/(Loss) before income tax		**160,059**	(712,885)
Adjustments for:			
Depreciation and amortization	21	**120,501**	94,422
Impairment losses on loans and advances	11	**(4,130)**	(23,142)
Impairment losses on other financial assets	11	**(25,884)**	646,312
Net interest income		**(1,143,187)**	(662,803)
Profit on disposal	21	**(1,724)**	(1,063)
Unrealized exchange losses	20	**14,160**	26,011
Interest expense on lease liabilities	20	**17,165**	11,241
		(863,041)	(621,907)
Changes in:			
Loans and advances to customers		**(98,527)**	102,091
Other assets		**(274,533)**	(128,581)
Investment securities [1]		**(886,335)**	(2,569,481)
Non-pledged assets		**(46,770)**	(2,954)
Deposits from customers		**2,516,042**	2,591,237
Borrowed funds		**142,821**	(1,649,374)
Other liabilities		**159,192**	179,596
Cash flow (used in)/generated from operations		**648,849**	(2,099,373)

[1] Refer to note 33

(All amounts are in thousands of Ghana cedis)

33. Prior period restatements of balances

	Previously stated amount as at 31 December 2023	Adjustment /impact	Restated amount as at 31 December 2023
Statement of cash flow items			
Cash and cash equivalents at beginning of the year [1c]	**1,928,562**	**920,584**	**2,849,146**
Cash flow generated from/ (used in) operations - Changes in investment securities [1]	(2,189,974)	(379,507)	(2,569,481)
Net cash flow generated from operating activities – Interest paid [1a]	(1,195,282)	(2,266)	(1,197,548)
Cash flow (used in)/generated from operations - Mandatory cash reserve [1c]	(478,769)	478,769	-
Total adjustments to Cash flow (used in)/generated from operating activities [1d]	**(536,440)**	**96,998**	**(439,442)**
Net cash flow used in financing activities - Payment of principal portion of lease liabilities [1a]	(74,120)	2,266	(71,854)
Total adjustments to Net cash flow used in financing activities	**(74,120)**	**2,266**	**(71,854)**
Effect on exchange rate changes on cash and cash equivalents held [1b]	-	**164,842**	**164,842**
Total adjustment to Cash and cash equivalents at 31 December [1e]	**1,229,760**	**1,184,690**	**2,414,450**
Cash and cash equivalents -Treasury bills maturing within 90 days [1]	724,486	(379,507)	344,979
Statement of financial position items			
Intangible assets [2]	26,524	63,390	89,914
Property and equipment [2]	241,450	(63,390)	178,060
Investment securities [4]	8,309,948	1,825	8,311,773
Total adjustment to Total assets	**13,691,904**	**1,825**	**13,693,729**
Other liabilities – Payables [3]	918,886	40,238	959,124
Total adjustments to Total liabilities	**12,447,749**	**40,238**	**12,487,988**
Capital and reserves – Stated capital [3]	3,127,784	(40,238)	3,087,546
Retained earnings [4]	(1,977,444)	1,825	(1,975,620)
Total equity	**1,244,155**	**(38,414)**	**1,205,741**
Statement of profit or loss and other comprehensive income items			
Net interest income - Interest income [4]	1,633,124	101,379	1,734,503
Increase in Operating income - [4]	**854,419**	**101,379**	**955,798**
Impairment losses on other financial assets [4]	(546,758)	(99,554)	(646,312)
Decrease in Loss before income tax and levies [4]	**(714,709)**	**1,825**	**(712,884)**
Decrease in Loss for the year [4]	**(542,962)**	**1,825**	**(541,137)**

33. Prior period restatements of balances (continued)

[1] Treasury bills maturing within 90 days from the reporting date were included as part of cash and cash equivalents in the 2023 statement of cash flows. This has been adjusted to investment securities with original tenor of up to 90 days. This was also reflected in the changes in investment securities amount. The adjustment had no impact on the Bank's profitability and total assets position. It however, had an impact on the Bank's cash position. The amount is disclosed in the above table.

[1a] Interest paid on lease liabilities in 2023 was disclosed as part of the payment of principal portion of lease liabilities under financing activities. The adjustment separates the amounts and reclassifies the disclosure from financing activities to operating activities. This had no impact on the Bank's profitability, total assets position and cash position.

[1b] Disclosure for effect on exchange rate changes on cash and cash equivalents held in 2023 was omitted. The omission had no impact on the Bank's profitability, total assets and the cash and cash equivalents balance.

[1c] Mandatory cash reserve is a regulatory requirement where the Bank is required to maintain an average minimum balance periodically. This balance is meant to be a buffer for banking operations. It is however, not a restricted amount. In the current financial year, management made a voluntary change in the policy application for mandatory cash reserve in the determination of cash and cash equivalents by not deducting the amount from its cash and cash equivalents. The change had no impact on the Bank's profitability, and total assets. It however had a positive impact on the cash and cash equivalents position at the beginning of the year by GHS 920.5million.

[1d] Cash flow (used in)/generated from operations at 31 December 2023 included treasury bills maturing within 90 days from the reporting date instead of treasury bills with original tenor of 90 days. The adjustment negatively impacted the Bank's cash position by GHS 379.5 million. It is also included change in mandatory cash reserve of GHS 478.8 million. Management, in 2024 made a policy change to exclude mandatory cash reserve in the determination of its cash and cash equivalents position. The adjustment positively impacted the Bank's cash position in 2023. The net impact is an improvement in the cash used in operation by GHS 99.2million.

[1e] Cash and cash equivalents at 31 December 2023 has been adjusted by the above-mentioned items. The net impact on the Bank's Statement of cash flow is GHS 1.18million as stated above.

[2] Software work-in-progress was reported as part of property and equipment work-in-progress in 2023 statement of financial position. The adjustment resulted in a reduction in the property and equipment amount and an increase in the intangible asset stated in the 2023 statement of financial position. The adjustment had no impact on the Bank's profitability and total assets.

[3] In 2023, the Bank was in the process of registering an additional GH¢2,500,000,000 capital received however, transaction cost thereon was not accrued at the time. An adjustment of GHS 40.2million in respect of transaction cost has been made between the 2023 stated capital and other liabilities.

[4] In 2023, interest income was accrued on POCI investment securities at the gross amount of GHS 9.76 billion while impairment gains were recognised consequently in the income statement. An adjustment has been made to recognise interest income at the carrying amount and to reverse the impartment gains accordingly. This positively

33. Prior period restatements of balances (continued)

Prior period restatements of balances (continued)

impacted the Bank's profitability by GHS 1.8million, with interest income increasing by GHS 101.3million and impairment losses on other financial assets increasing by GHS 99.5million. The impact is showed on the income statement lines indicated in the above table. There was no impact on tax expense because the chargeable income remained negative.

34. Event after reporting period

There were no events after the end of the reporting period, which could have had a material effect on the state of affairs of the Bank as at 31 December 2024 and on the results for the year then ended which have not been adequately provided for and/or disclosed.

VALUE ADDED STATEMENTS
For the year ended 31 December 2024

(All amounts are in thousands of Ghana cedis)

	2024	2023
Interest earned and other operating income	**2,528,584**	2,045,139
Direct cost of services and other costs	**(1,554,056)**	(1,532,682)
Value added by banking services	**974,528**	512,457
Non-banking income		
Impairments	**30,014**	(623,170)
Value added	**1,004,542**	(110,713)
Distributed as follows:		
To employees		
Directors	**(2,259)**	(1,752)
Other employees	**(721,723)**	(505,999)
Total	**(723,982)**	(507,751)
To Government		
Income tax	**(71,340)**	171,747
To providers of capital		
Dividends to shareholders	-	-
To expansion and growth		
Depreciation and amortization	**(120,501)**	(94,421)
Retained (deficit)/earnings brought forward	**(1,975,620)**	(1,434,482)
Transfer to statutory Reserve	**(44,359)**	-
Retained earnings	**(1,931,260)**	**(1,975,620)**