ANNUAL REPORT 2019

SOCIETE GENERALE GHANA


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SOCIETE GENERALE GHANA

2019 ANNUAL REPORT
AND FINANCIAL STATEMENTS

2019 Major Events

WE INTRODUCED NEW INNOVATIONS

Electronic billboard to communicate
to the public about our product offers
&
Our solar project.
A cleaner, more effective energy
source at our head office

Our 24/7 drive-in ATM
at Achimota branch

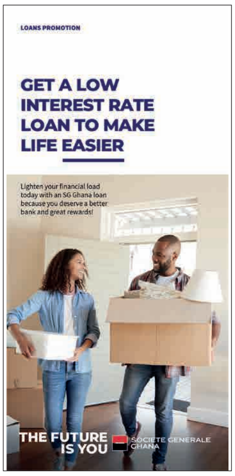
WE LAUNCHED NEW SERVICES

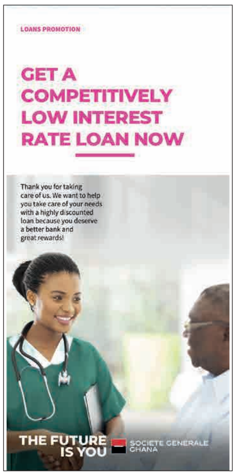
SG Ghana Home of Business
to facilitate the growth of SMEs in Ghana

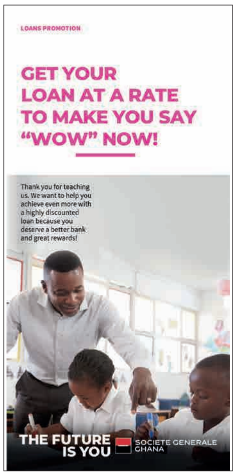
Offered Tema terminal 3
port service fee payment
in all branches

2019 Major Events

WE LAUNCHED EXCITING COMMERCIAL PROMOTIONS & CAMPAIGNS







Loans Promotion

Deposit and Win Promotion

WE OPENED MORE OUTLETS

Achimota Branch

Osu Branch

24/7 SG GHANA ATM DRIVE-IN AT ACHIMOTA BRANCH

Withdraw cash, check balance and more, without getting out of your car.

To find out more call 0302 214 314

THE FUTURE IS YOU

SOCIETE GENERALE GHANA

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NOTICE AND AGENDA
FOR ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 40th Annual General Meeting of Societe Generale Ghana Limited (the "Company") will be held on Thursday, 26 March 2020 at 11am at the Alisa Hotel, Ridge Arena, Accra Ghana for the following purpose:-

Ordinary Business: Ordinary Resolutions

1. To elect Directors, the following directors appointed during the year and retiring in accordance with Section 72(1) of the Company's Regulations:
    - Mr Georges Wega
    - Mr Arnaud De Gaudesmaris
    - Mrs Martine Hitti
    - Mrs Margaret Boateng Sekyere
2. To re-elect a Director; the following director retiring by rotation pursuant to Section 88(1) of the Company's Regulations who being eligible, offers herself for re-election
    - Mrs Agnes Tauty Giraldi
3. To receive and adopt the Financial Statements of the Company (together with the reports of the directors and the auditors of the Company) for the year ended 31 December 2019.
4. To declare a Dividend.
5. To approve Directors' fees.
6. To authorize the Directors to determine the remuneration of the Auditors.

Special Business : Special Resolutions

7. To change name of the Company from Societe Generale Ghana Limited to Societe Generale Ghana Public Limited Company ("PLC") to comply with Section 21(1)(b) of the Companies Act, 2019 (Act 992).

Dated, this 19th day of February 2020.

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BY ORDER OF THE BOARD

ANGELA NANANSAA BONSU
THE SECRETARY

NOTE

A member of the Company entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of him. A Proxy need not be a member. A form of Proxy is attached to the Annual Report for it to be valid for the purpose of the meeting it must be completed and deposited with the Registrars, NTHC Limited, Martco House, PO Box KA 9563, Airport Accra, Ghana not less than 48 hours before the appointed time of the meeting.

CORPORATE INFORMATION

BOARD OF DIRECTORS

1.	Kofi Ampim	-	Chairman
2.	Hakim Ouzzani	-	Managing Director
3.	Teresa Ntim	-	Non-Executive Director
4.	Michel Miaille	-	Non-Executive Director
5.	Joseph Torku	-	Non-Executive Director
6.	Laurette Otchere	-	Non-Executive Director
7.	Agnes Tauty Giraldi	-	Non-Executive Director
8.	Georges Wega	-	Non-Executive Director appointed 16 August 2019
9.	Arnaud De Gaudesmaris	-	Non-Executive Director appointed 16 August 2019
10.	Martine Hitti	-	Independent Non-Executive appointed 6 November 2019
11.	Margaret Boateng Sekyere	-	Independent Non-Executive appointed 20 November 2019

COMPANY SECRETARY
Angela Nanansaa Bonsu
Societe Generale Ghana Limited
2nd Crescent, Royalt Castle Road
Ring Road Central
P.O. Box 13119
Accra, Ghana

REGISTERED OFFICE
2nd Crescent, Royalt Castle Road
Ring Road Central, Accra
P.O. Box 13119
Accra, Ghana

AUDITORS
Ernst & Young Chartered Accountants
G 15 White Avenue
Airport Residential Area
Accra Ghana
P.O. Box KA 16009
Airport, Accra, Ghana

REGISTRARS
NTHC Limited
Martco House
P.O. Box KA 9563
Airport, Accra
Ghana

COUNTRY OF INCORPORATION
Ghana, Accra

HOLDING COMPANY
SG Financial Services, Holding Company

ULTIMATE HOLDING COMPANY
Societe Generale incorporated in France

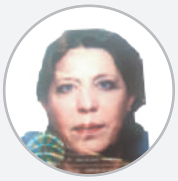
PROFILE OF THE BOARD OF DIRECTORS

Kofi Ampim (Chairman)

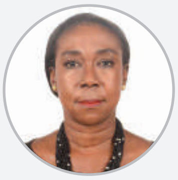
EXECUTIVE DIRECTOR

Hakim Ouzzani (Managing Director)

INDEPENDENT NON-EXECUTIVE DIRECTORS



MARTINE HITTI (Member)



MARGARET SEKYERE (Member)

NON-EXECUTIVE DIRECTORS

TERESA NTIM (Member)

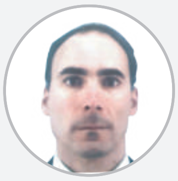
MICHEL MIAILLE (Member)

JOSEPH TORKU (Member)

GEORGES WEGA (Member)

LAURETTE OTCHERE (Member)

AGNES TAUTY GIRALDI (Member)



ARNAUD DE GAUDESMARIS (Member)

BOARD SECRETARY

ANGELA NANANSAA BONSU (Company Secretary)

Profile Of The Board Of Directors cont'd

Kofi Ampim: **Chairman of the board of directors.** He holds a Bachelor's degree and a Master's degree in International Business and Finance from the Pace University Lubin School of Business in New York. He is an Investment Banker and a Director of Total Oil Company. He is also the Chairman of Belstar Capital Limited and Allianz Insurance Ghana Limited, which is a subsidiary of one of the largest insurance companies in the world. He joined the Board of Directors on 26 March 2003.

Hakim Ouzzani: **Managing director of the bank.** He holds a Bachelor of Arts degree in Economics and a Master of Arts degree in Organisation Sociology from the Ecole Nationale Superieure d' Administration et de Gestation National School of Management and Administration. He also holds a Diploma in Banking and Finance from the Institute of Development Finance Tunis. Mr Ouzzani has a Diploma of Higher Education from the Arab Maghred Development Financing Institute. Before his appointment as Managing Director, he was a Senior Executive Regional Manager with Societe Generale International Banking Financial Services in charge of Cameroun, Chad, Congo Brazzaville, Equatorial Guinea, Ghana and Guinea Conakry. From 2012 to 2016, he was the CEO of Societe Generale Chad. He also held various positions within the Societe Generale as Group Deputy General Manager SG Algerie, Network and Sales Manager SG Algerie and Network Development Manager SG Algerie. From 2000 to 2002, he managed the Corporate Branch of the Union Bank Brokerage. In 1998, he was the New Products Development Manager at the Union Bank. He has worked as a Professor at the Ecole Superieure de Banque. He also worked with the Central Bank of Algerie as a Senior Officer Loans & Refinancing Direction and Licencing & Regulatory Function. Mr Ouzzani was nominated to the Board of Directors of Societe Generale Ghana on 16 November 2016 with the Bank of Ghana granting approval to the said appointment on 23 January 2017.

Teresa Ntim (Mrs): She holds a BSc and MSc. in Agricultural Economics. Her career spans over 33 years with the Bank of Ghana serving in different capacities in Research, Rural Finance, Development Finance and Foreign Operations departments. She was also Head of Treasury from 1993 to 1997. She also served as Special Advisor to the Governor of the Bank of Ghana and retired in 2004. She joined the Board of Directors on 7 February 2005.

Michel Miaille: He holds a Bachelor's degree in Law. He joined Societe Generale in 1971. Between 1980 and 1986, he was the General Manager of Societe Generale Nigeria. From 1986 to 1990, he was the General Manager for a Societe Generale affiliate in Oman in the Middle East. From 1990 to 1994, Mr Miaille was the General Manager for Societe Generale Taiwan. From 1994 to 1999, he was the Managing Director for Societe Generale Cameroon. His last position was Managing Director of Societe Generale de Banques Cote d'Ivoire. He joined the Board of Directors on 26 March 2003.

Mr Joseph Torku: He is a Chartered Accountant and currently the Managing Partner at Palmfields Investment Limited, an independent advisory firm in Ghana. He was previously the Managing Director of Gold Key Properties Limited in Ghana; Chief Finance Officer for Ecobank Group in East Africa and Executive Director of Finance at Shell Oil Company in Ghana. Mr. Torku also spent several years at the Social Security and National Insurance Trust (SSNIT) as an Investment Analyst with the responsibility for Banking and Hospitality investments. Mr.Torku is a member of the Institute of Chartered Accountants (ICA) Ghana. He holds a degree in Economics and Diploma in Education from the University of Cape Coast (UCC), a Diploma in Finance from UC-Berkeley, USA and MBA in Banking and Finance from CESAG in Senegal. He joined the Board of Directors in July 2017 with Bank of Ghana granting approval on 6 September, 2017.

Laurette K Otchere: She is a Barrister at Law and a Deputy Director General Operations and Benefits at Social Security and National Insurance Trust. She holds a Juris Doctor; a Bachelor of Arts in Economics and is a Certified Professional in Human Resources (SHRM-CP). She is a member of the Ghana Bar, State of New Jersey Bar and the United States District Court, District of New Jersey. She is an Adjunct Professor at Rutgers University School of Management and Labour Relations and the Society for Human Resource Management. She has extensive working and professional experience internationally and locally. She joined the Board of Directors in July 2017 with Bank of Ghana granting approval on 6 September 2017.

Agnes Tauty Giraldi. She is the Head of Export Finance Africa, Europe and Structured Trade Finance, Societe Generale Corporate and Investment Banking. She has over 23 years' experience in the Corporate Investment Banking sector with an extensive experience in Structured Trade and Export Finance. She has solid experience in emerging markets and has led several deals involving sovereign, sub-sovereign, public and private corporates. She is currently the Head of Export Finance Africa, Europe and Structured Trade Finance, Societe Generale Paris. Within the Societe Generale Group, she has held the following positions; Deputy Head Origination Export Finance, Head of European Origination Export Finance, Country Manager in the Europe and Central Asia Desk, Societe Generale Paris, Vice president Societe Generale Paris responsible for the execution of the documentation (Loan documentation, credit insurance, securities, etc.), Corporate Relationship Manager, Societe Generale London Relationship Manager SMEs, French Network, Societe Generale. She was nominated to the Board of Directors on 11 April 2018 with Bank of Ghana granting approval on 1 October 2018.

Profile Of The Board Of Directors cont'd

Georges K. T. Wega: He holds a Bachelor of Science degree in Industrial Engineering and a Master of Science degree also in Industrial Engineering (General Management). His career spans over 22 years having worked in several capacities in organizations around the world. He worked primarily as a University Lecturer, then for Canada Post Corporation, General Electric, Barclays Bank and United Bank for Africa. Within the Societe Generale Group, he has also worked with SG Cameroon, SG Senegal and has served as the SG Regional Director for West Africa. He was nominated to the Board of Directors on 22 November 2018 with Bank of Ghana granting approval on 16 August 2019.

Arnaud De Gaudemaris: He holds an Engineering Degree from ISEP Paris. He is the current Chief of Staff to the Head of Societe Generale for the AFMO Region managing 14,000 staff. He is responsible for the organization of strategy preparation meetings, internal management meetings and the African Region strategy. He was nominated to the Board of Directors on 28 November 2018 with Bank of Ghana granting approval on 16 August 2019.

Martine Hitti: She holds an Engineering Degree from the Ecole Nationale Superiere d'information pour l'industrie et l'entreprise in France. She retired from the services of the Societe Generale Group in 2014 and currently works as a consultant. Whilst working with Societe Generale, she held the following positions; Director of Information Systems, Chief Information Officer International Retail Banking, IT Manager Cash Flows, Skills Development Manager, IT Securities Manager and IT Communications Manager. She was nominated to the Board of Directors on 12 April 2019 with Bank of Ghana granting approval on 6 November 2019.

Margaret Boateng Sekyere: She received a Bachelor's degree in Accounting and an MBA from Howard University in Washington D.C in 1985 and 1987 respectively. From 1985 to 1989 she was in Public Accounting and Mortgage Banking in the USA after which she joined Price Waterhouse in Ghana as a Management Consultant with special focus on Financial Management Reviews and Assessments of donor funding to public sector institutions. With over 30 years of experience in private and public sector management, she was instrumental in the development of the public sector reforms in Sierra Leone in the early 1990s and in Ghana from 2004 to 2007. In 1993, she was recruited by the Government of Sierra Leone to manage a 5-year Public Sector Program funded by the World Bank. She served as a Senior Resource Management Officer of the World Bank Office in Ghana from 1998 to 2003 .Whilst there, she managed the administrative services and accounting team in the Country Office including training, systematic back up and replacement planning. She played a key role in the coaching and development of newly recruited resource management staff for Country Offices in the Africa Region – South Africa, Uganda, Zimbabwe, Malawi, Nigeria, Ethiopia and Kenya. From 2007 to 2013, she joined a team to set up an Asset Management Firm – OAK Partners Ltd., - providing financing for private real estate projects in Accra. During the period of 2013-2018, she was an Executive Director of Finance and Administration for Belstar Capital. At Belstar, she also played a key role as a Licensed Investment Advisory Representative of the Securities and Exchange Commission, responsible for compliance of financial regulatory matters. She was nominated to the Board of Directors on 12 July 2019 with Bank of Ghana granting approval on 20 November 2019.

KEY MANAGEMENT PERSONNEL

Hakim Ouzzani: Managing director: Please refer to the section under Board of Directors.

Ernest Kuetche: Deputy managing director: He holds an engineering degree and a Master in Finance and Capital Markets. Prior to joining Societe Generale Ghana, he was the regional Chief Financial Officer (CFO) of the Asia Pacific region for 4 years where he supported the strong growth of Capital markets, Global Finance and Trade Finance businesses in that region. Prior to Asia, he joined Societe Generale Corporate and Investment Banking (SG CIB) in 1996 and has held various management positions in the domains of Business Management, Operations, Accounting and Finance and Information Technology divisions in Paris, in the Americas and in the Shared Services Centre in India.

Mohamed Fehri: Chief administrative & finance officer: He holds a Bachelor's and Master's degree in Accounting Science from Institut Supérieur de Comptabilité et d'Administration des Enterprises. He also holds a Master's degree in Tax Law and a Master's degree in Financial Risk Management. Mr Fehri has a certificate in Accounting "IFRS" from Ecole Superieure de Commerce de Paris (ESCP) and a certificate in leadership and Innovation from Mc Gill University- Institut des Cadres. Mr Fehri is a member and treasurer of "Cercle des Financiers de la Tunisie". He was also member of the National Committee of Tax of Tunisia. He was a lecturer in Accounting, Financial management and taxation at various Tunisian business schools and the Tunisian banking college. He joined Societe Generale Group in Tunisia in 2007 where he acted as Head of Tax, Head of Financial Reporting and Tax before becoming Head of Control and Management Direction of Societe Generale Group in Tunisia.

Bernice Allotey: Chief operating officer: She holds an Executive Masters in Business Administration (Finance) and a BSC in Computer Science and Statistics from the University of Ghana, Legon and was accredited as a Prince 2 Practitioner by the Association of Project Managers Group in 2005 and a Lean Six Sigma Green belt trained. She has extensive knowledge and proven expertise in Application Support, Project and Change Management, Project Portfolio Management Process improvement/ Procedure writing. Over her 21 years' experience in the Banking industry, she has managed programmes and projects for all functions in the bank including the Core Banking Application. As the Head of Organisation and Projects in Societe Generale Ghana, she was responsible for the bank's Project Portfolio and Methods/Procedures and ensuring overall alignment of the organisational structures to business strategy.

Edmund Wireko Brobbey: Special advisor to the managing director: He holds a Master of Business Administration (Finance) from the Fordham University, New York, USA and a BSC (Management) degree from the New York Institute of Technology USA. He joined the Bank in 1981 and has served in different capacities as Head Corporate Department, Head of Marketing Department, Head Business Development, Head Priority Banking Service, Head Privilege Banking Unit, Head Retail Sales Department and Head Development and Bank Strategy Department. He has over 38 years banking experience.

Kwame Anterkyi: Chief risk officer in charge of credit and market risk: He is a graduate of the Kwame Nkrumah University of Science and Technology Ghana with a Bsc. in Civil Engineering and a Master of Business Administration (Finance Option) from the Ghana Institute of Management and Public Administration (GIMPA). He is also a professionally qualified member of the Chartered Institute of Bankers (Ghana). Kwame Anterkyi has over 17 years banking experience specializing in Corporate and Institutional Banking anchored on a strong credit risk analysis background having worked as a Senior Credit Analyst and in Senior Relationship Management positions. He is a member of the Credit and Market Risk Committee of the Bank.

Jerodine Bampoe Addo: Acting chief compliance officer: She holds a Master's Degree in Business Administration and a Bachelor of Arts (Hons) degree in Sociology and Political Science from the University of Ghana. She is an Authorized Dealer with the Ghana Stock Exchange and holds an ACAMs certificate (Anti-Bribery & Corruption). During her 25 years of experience in the financial industry, she has built strong expertise in Retail, Corporate and Investment Banking, Product and Business Development. She joined the Bank in 2000 and has served in different capacities within the bank over the years. She held the role of Head, Money Remittances Unit and she headed Large Parastatals, Non-Bank Financial Institutions & Governmental Business, Manufacturing, Commerce and Services in the Corporate Coverage Department. She was appointed Deputy Head, Compliance in 2018 and is currently acting as the Chief Compliance Officer of the bank overseeing the enhanced operations of Compliance, Anti –money Laundering and CFT.

Catherine Johnson: General manager, treasury: She holds a BSc Accounting Degree from Cardiff University in Wales and is a member of the Association Cambiste Internationale (ACI) based in Paris .She also holds a Master's Degree in International Securities, Investments and Banking from the ISMA Centre, Henley Business School, UK with a special focus on Financial Engineering and Fixed Income Solutions. She has over 20 years' extensive commercial banking experience both in Ghana and internationally.

Key Management Personnel cont'd

Her vast experience over the years cover areas of Strategy, Business Development, Treasury Management, Corporate Banking, Balance Sheet Risk Management and Market/Trading activities. She is currently in charge of managing the assets and liabilities structure of the bank and has direct responsibility for developing market/trading teams, products/solutions, funding and the general trading framework. She also manages key treasury relationships with the Regulator, Financial Institutions and Clients.

Frank Lawoe: Head of internal audit: A Chartered Accountant by profession, he holds a Bachelor of Commerce degree from the University of Cape Coast and Executive MBA in Finance from the University of Ghana. He is also a Member of the Institute of Chartered Accountants (Ghana) and Institute of Internal Auditors (Ghana). He has over 17 years' experience in banking with strong and proven expertise in internal audit, credit risk management, retail and corporate banking and debt recovery.

Angela N. Bonsu: Company secretary general manager: She holds a Master of Business Administration from the Middlesex University Business School, London and an honours degree in Law from Birkbeck College, University of London. She is a professionally qualified member in good standing with the Institute of Directors Ghana. She has rich professional experience in Company Secretaryship, Compliance, Corporate Governance, Business Integration, Global Employee Share Ownership Programmes, Legal Administration, Human Resource, and Project Management with over 20 years' experience working in various capacities. As the Company Secretary for a Bank listed on the Ghana Stock Exchange, Ms Bonsu also has oversight responsibility for the Legal Department and manages Permanent Control Department, Communications, Environmental & Social Management Systems, Sustainable Development & Corporate Social Responsibility.

Fred Obosu: General manager corporate coverage: He holds a Master of Business Administration from the Kwame Nkrumah University of Science & Technology, Bachelor of Arts (Hons) degree in Economics from the University of Cape Coast, Bsc (Hons) in Banking Practice and Management from IFS School of Finance UK and a Professional Post Graduate Diploma in Marketing from the Chartered Institute of Marketing UK. With over 15 years' experience in the Banking Industry, he has gained significant experience in Corporate and Investment Banking, Commercial/SME banking, Product & Business Development, Cash Management, Supply/Value Chain Financing and International Trade Finance spanning various industries and sectors.

Obed Hoyah: Assistant general manager, retail business: He holds a Master of Science degree in Management from the University of Maryland University College (Graduate School of Management & Technology) in Maryland, USA and a Bachelor of Science degree in Accounting from Rhode Island College, Providence, RI, USA. Obed is a seasoned banker who has worked in different capacities in the bank, as Head of SME, Pre-Recoveries and Credit & Operational Risk before taking on a role at Retail Banking. He was the Project Manager for the RUBI Project, which transformed the structure of the network from an Operational organization to a Sales and Service outfit. He has over 20 years of experience in the industry in both Ghana and the USA, where he started his banking career.

Paul Agyenim Boateng: Assistant general manager, permanent control: A chartered Accountant (CA Ghana) and a Chartered Taxation Manager by profession. He also holds an MBA from the Business School, University of Ghana, Legon and an Mphil in Development Project Analysis (Agric-Econs) from the Faculty of Agric, University of Ghana, Legon. He has extensive knowledge in banking and has worked in various capacities in Retail Banking, Inspection as an Inspector, Mission Head & Head Inspection. Paul has also worked in Finance department as Deputy Head Finance and Acting Head Finance and then to IT Department as Deputy Head of the Microbanker Banker Project (a core banking software). In addition, he was engaged as the Anti-Money Laundering Officer of the Bank and Head of Permanent supervision at the same time. In 2014, he was appointed as the Head, Internal Audit and in 2018 was posted to Permanent Control as Head, in charge of Managerial Supervision & Business Continuity, Operational Risk, Branch PS Control and KYC Quality Control.

Lawrence Ribeiro: Assistant general manager, logistics & support: He holds a Post Graduate Diploma in Legal Studies from the Ghana School of Law, Executive Master of Business Administration (Finance option) from the University of Ghana, Legon and BSc Electrical/Electronic Engineering degree from the Kwame Nkrumah University of Science and Technology. In the last seventeen years, he has built extensive experience in enterprise IT management and service delivery. He is also experienced in Logistics and Estate management. He worked in various capacities as Head of Data Centre Operations, Head of Network and System, Head of IT Security and Business Continuity Planning and Head of Information Systems and Technology.

Key Management Personnel cont'd

Albert Ofori: Assistant general manager human resources Management: He is a professionally qualified member in good standing with the Institute of Human Resource Management Practitioners (Ghana). He holds a Master's degree in Industrial-Organizational Psychology and a B. A. Degree in Psychology with Philosophy from the University of Ghana. He is an Associate member of the Institute of Professional Financial Managers (IPFM) and the Society for Human Resource Management (SHRM). He has over 16 years' experience in Generalist and Specialist Roles in Human Resource Management and 6 years' experience in Retail Banking.

Cedric Chaux: Head marketing multi channel and quality: Cedric holds an LLM in International & European Law, a Master in Political Science, a Master in International Relations and a Master in Business Administration. Between 2006 and 2018, he actively contributed to the international expansion of the insurance business line of the Societe Generale Group. For 4 years he was the CEO of the P&C subsidiary in Russia and Deputy Country head in charge of strategy, organization, IT and claims management. His other assignments within the Group have included; Chief Executive Officer of the Bulgarian Life Insurance subsidiary for 2 years and Chief Operating Officer of an insurance joint venture in India for a year. His first assignment for SG was to create from scratch the German branches of ASSU for 2 and half years. Before joining SG Ghana, Cedric was Director of International Marketing, Digital Operations & External Partnership for the Insurance business line in Paris.

Adwoa Asieduaa Ntirakwa: Head organisation & projects: Adwoa is a seasoned Banker with 15 years diverse experience in the Banking Industry. After 10 years' experience in Retail Banking, she was transferred to Organization and Project as a Project Manager. She was later promoted to become a Senior Project Manager responsible for managing complex Projects for Societe Generale Ghana. As Senior Project Manager, she played a significant role for Societe Generale Ghana to achieve Maturity Level Three in Project Management. Adwoa is a product of University Ghana Business School and majored in BSc. Administration Banking and Finance option. She holds a Master's degree in Project Management from Ghana Institute of Management and Public Administration. Adwoa is a Chartered Banker with the Chartered Institute of Bankers (Ghana) and is a Lean Six Sigma trained – Green Belt. She is also a Coach in Prism Methodology and has trained a number of staff members on Prism Methodology.

CHAIRMAN'S STATEMENT

Ladies & Gentlemen, I am very pleased to welcome you our Distinguished Shareholders to the 40th Annual General Meeting of Societe Generale Ghana Limited and to present to you the Annual Report and Audited Financial Statements of your Company for the financial year ended 31st December 2019. Your Company's financial performance remained profitable within a challenging Banking Industry.

Economic environment
A general assessment of the world macroeconomic situation reveals a fragile global outlook, with increasing signs that the cyclical downturn is becoming entrenched. Global GDP growth declined to 2.9 percent this year, the weakest pace since the financial crisis. Global trade is stagnating as well, and with a continued deepening of trade policy tensions since the second quarter of this year, confidence and investment is being adversely affected.

However, the International Monetary Fund projects GDP growth to rise to 3.3 percent in 2020 and 3.4 percent in 2021. The downside risks, however, remain prominent, including rising geopolitical tensions, notably between the United States and Iran, intensifying social unrest, further worsening of relations between the United States and its trading partners with the rising threat to protectionism and vulnerabilities in emerging markets. The outbreak of the Coronavirus poses a new risk to the global economy and its impact is yet to be assessed. The Brexit has finally taken effect and it is not expected to adversely affect the global economic outlook.

Financial markets have been buffeted by the twists and turns of trade disputes amid growing investor concerns about downside risks to the global economic outlook. Large declines in interest rates have created further incentives for investors to search for yield, leading to stretched valuations in some asset markets. The recent rebound in debt portfolio flows to emerging markets from advanced economies was due to a recovery in risk appetite and a sharp drop in US Treasury yields.

In Sub-Saharan Africa, GDP growth is projected to remain at 3.2 percent in 2019 and rise to 3.6 percent in 2020. Growth is forecast to be slower for about two-thirds of the countries in the region due to a more challenging external environment, continued output disruptions in oil-exporting countries, and weaker-than-anticipated growth in South Africa. Growth prospects vary considerably across countries in the region in 2019 and beyond. However, growth is projected to remain strong in non-resource-intensive countries, averaging about 6 percent.

Operating environment
Ghana, a country with a very stable political and economic environment happens to be one of the fastest growing economies in the world today. Macroeconomic conditions remain favorable with strong growth, low inflation and an improved external position, although public debt continues to increase. An IMF report on Ghana has mentioned that, growth is expected to average around 5 percent over the next few years, supported by new potential oil discoveries and mining. Consumer price inflation has stayed close to the center of the target band in recent months, despite the pass-through effects from Cedi depreciation and higher utility tariffs. It is expected to decline to around 6 percent over the medium term. International reserves remain stable largely due to external borrowing however.

Over the medium-term, Ghana's economic growth outlook remains positive and it is expected to benefit from new oil discoveries, higher cocoa prices, rapid diversification driven by the governments' industrialization efforts and the potential for domestic revenue mobilization reforms. Downside risks affecting the growth outlook include the possible spending pressures in the context of the 2020 election, financing challenges-possibly triggered by tighter global conditions and larger-than-expected energy and financial sector costs.

With respect to real GDP growth, the latest data from the Ghana Statistical Service point to firmer growth during 2019, although at a relatively slower pace than was recorded in 2018. GDP growth outturn for the first three quarters of 2019 averaged 6.0 percent, almost unchanged from the 6.1 percent recorded in the same period of 2018. Similarly, non-oil GDP growth averaged 5.0 percent against 5.9 percent over the same comparative periods. Growth in the main sectors of the economy namely Agriculture, Industry and Services registered growth of 5.9 percent, 5.7 percent and 5.7 percent respectively as at the end of the third quarter of 2019. This is in comparison with the 5.5 percent, 11.7 percent and 3.5 percent respectively recorded the same period last year. Overall GDP growth for 2019 is projected to be close to the target of 7.0 percent on the back of strong performance in gold production and oil and gas which should partially offset a smaller cocoa crop due to tree disease.

Chairman's Statement cont'd

The overall fiscal deficit as at the end of 2019 was 4.8 percent of GDP, slightly above the target of 4.7 percent of GDP but below the 5.0 percent fiscal rule. This was mainly driven by lower-than-expected revenues, spending on flagship programs, and unexpected security outlays due to emerging security challenges in the Sahel region. After including energy and financial sector costs, this corresponds to an overall deficit of about 7 percent of GDP in 2019. In line with these developments, the provisional estimates indicate that the stock of public debt rose to 62.1 percent of GDP (GH¢214.9 billion), at the end of November 2019 compared with 57.9 percent of GDP (GH¢172.9 billion) at the end of November 2018. Of the total debt stock, domestic debt was GH¢102.9 billion, while external debt was GH¢111.9 billion with a share of 52.1 percent in the total public debt. The increase in the public debt stock is mainly due to a US$3 billion Eurobond issue and to domestic borrowing, including a US$2 billion financial sector bailout.

The international commodities market remained buoyant, despite intermittent volatilities in the course of the year. Crude oil prices increased by 13.0 percent year-on-year, driven by OPEC production cuts and other geopolitical factors. Crude oil closed the year at an average of US$65.2 per barrel. According to a World Bank report, crude oil prices on the world market are projected to reduce over the next two years in 2020 and 2021.

Gold prices averaged US$1,481.3 per fine ounce, recording a year-on-year growth of 18.4 percent. The surge in gold prices was attributed mainly to the global economic slowdown and the low interest rate environment in major advanced countries. Prices are however, forecast to decline averagely by 1.2 percent over the medium-term from 2021 to 2024.

Cocoa prices averaged US$2,215.4 per tonne in 2019, an increase of 11.6 percent from last year, due to the dry weather conditions which posed some threat to the quality of the bean. Prices are forecasted to appreciate by 2.1 percent in 2020 and improve steadily from 2021 to 2024.

These price movements in the country's key export commodities in 2019, together with increased export volumes, impacted positively on the external sector. In 2019, total exports increased by 4.6 percent year-on-year to US$15.6 billion, driven mainly by 14.6 percent growth in gold exports and 8.6 percent growth in cocoa beans and products. Imports, on the other hand, grew at a slower pace of 1.5 percent to US$13.3 billion on account of a 4.2 percent growth in non-oil imports, while oil and gas imports contracted by 9.2 percent. These developments resulted in a trade surplus of US$2.3 billion (3.4 percent of GDP) in 2019, compared with US$1.8 billion (2.8 percent of GDP) in the same period of 2018.

The trade surplus, together with improvements in net current transfers, especially remittances, resulted in further narrowing of the current account deficit to US$1.7 billion (2.5 percent of GDP) in 2019, compared to a deficit of US$2.0 billion (3.1 percent of GDP) a year ago. The current account deficit was financed by significant inflows into the financial account, driven in large part by foreign direct investments and portfolio investments. Consequently, the overall balance of payments recorded a surplus of US$1.3 billion (2.0 percent of GDP) over the review period, compared with a deficit of US$671.5 million in 2018.

In line with the improvements in the Balance of payment position, the country's Gross International Reserves at the end of December 2019 was US$8.4 billion, providing cover for 4.0 months of imports of goods and services. The reserve level compares favorably with a position of US$7.0 billion, equivalent to 3.6 months of import cover recorded at the end of December 2018.

In spite of these macroeconomic gains, the economy experienced some challenges with its exchange rate volatility. The cedi experienced some sharp decline in value in the earlier part of 2019 after some foreign investors liquidated their investments in government bonds. However, the depreciation run of the local currency was stablized after the issuance of the US$3 billion Eurobond in March 2019 and subsequent US$1.5 billion Cocobod syndication in August 2019. On a year-on-year basis, the Ghana cedi depreciated by 12.9 percent against the US dollar in 2019, compared with 8.4 percent depreciation in 2018. Against the British pound and Euro, the Ghana cedi cumulatively depreciated by 15.7 and 11.2 percent respectively, compared with 3.3 and 3.9 percent over the same period in 2018.

Headline inflation remained steady in 2019, averaging around 8.6 percent. As at end of 2019, Consumer price inflation declined to 7.9 percent (based on the rebased Consumer Price Index (CPI) series), down from the previous year's inflation of 9.4 percent (based on old CPI series). The food inflation group recorded an inflation rate of 7.2 percent, which is a reduction of 1.5 percent from the previous year's inflation of 8.7 percent (based on old CPI series). The Non-food inflation rate equally recorded a drop of 1.3 percent year on year basis. The downward trajectory was mainly on the back of lower food prices amidst stable non-food prices notwithstanding the pass-through effect of the cedi depreciation and higher utility tariffs experienced within the year. According to an IMF report, inflation rate is projected to continually reduce over the next four years to 6.0 percent in 2024.

Inflationary pressures remained well anchored coupled with improved macroeconomic conditions in 2019. The monetary policy rate by the Central Bank remained stable for most part of the year. The policy rate ended 2018 at 17 percent, further lowered by the Monetary Policy Committee to 16 percent in January 2019 and kept the rate unchanged till the end of 2019.

Chairman's Statement cont'd

Interest rates on the money market increased marginally across the various maturities of the yield curve. The 91-day Treasury bill rate inched up to 14.7 percent in December 2019 compared with 14.6 percent a year ago. Interest rates on the 182-day instrument also moved up to 15.2 percent, from 15.0 percent over the same period a year ago. In contrast, rates on the secondary bond market broadly declined. Yields on the 7 and 15-year bonds marginally declined to 21.0 and 19.9 percent in December 2019, from respective 21.0 and 21.4 percent in December 2018. The yield on the 10-year bond, however edged up slightly to 21.3 percent from 21.2 percent over the same review period.

In the banking space, the Bank of Ghana completed its clean up exercise of the banking, specialized deposit-taking (SDI), and non-banking financial institutions (NBFI) sectors which began in August 2017. This led to the revocation of the licenses of 420 financial institutions comprising of universal banks, savings and loans companies, finance houses and non-bank financial institutions. According to the Bank of Ghana, the performance of the banking sector has improved significantly after the completion of the clean-up and recapitalization exercise, signifying positive dividends from the reform programme. Enforcement of the new Corporate Governance Directives issued by the Bank of Ghana as part of the recent reforms led to several board chairs of banks and CEOs ending their tenure, while Board members who had served for prolonged periods were all replaced. The banking industry has built up a much stronger balance sheet and recorded strong asset growth, improved quality of loans and profitability during the year. All the financial soundness indicators, measured in terms of earnings, liquidity, and capital adequacy remained strong.

2019 operating results
The bank recorded a Profit before Tax of GH¢ 176,691,350 in 2019. After the regulatory taxation of GH¢ 48,149,164 was deducted, a Profit after tax of GH¢ 128,542,186 was realized. Performance indicators of the bank showed growth over the period. Net Banking income increased by 31.4%, Operating expenses by 16.2% and Total Shareholders Fund 14.3%.

Dividend
The Board of Directors have recommended the payment of a Dividend of GH¢ 0.09 per share for the year ended 31 December 2019.

Share performance
The SG Ghana share price traded at an average of GH¢ 0.76 in the 2019 Financial year. Recording a price of GH¢ 0.75 at the beginning of the year, it fell marginally by 4.0% to end the year at GH¢ 0.72. During the year however, the share price recorded its highest performance at GH¢ 0.98.

Change of name to Societe Generale Ghana Public Limited Company
The Board of Directors are recommending that the name of the Company be changed from Societe Generale Ghana Limited to Societe Generale Ghana Public Limited Company in compliance with Section 21(1)(b) of the Companies Act, 2019 (Act 992).

Changes in the board of directors
We are happy to welcome our new Non-Executive Directors Mr Georges Wega and Mr Arnaud De Gaudesmaris who joined the Board on 16 August 2019. We also warmly welcome our new Independent Non-Executive Directors Mrs Martine Hitti who joined the Board on 6 November 2019 and Mrs Margaret Sekyere who joined the Board on 20 November 2019. As required by the Regulations of the Company they will be seeking election as Directors.

Mrs Teresa Ntim and Mr Michel Miaille have stepped down as Directors of the Bank in compliance with the Corporate Governance Directive of the Bank of Ghana. Mr Joseph Torku will resign as a Director of the Company after this Annual General Meeting. Upon receipt of Bank of Ghana's approval of a nominee, I will step down as a Director and Chairman of the Company.

Corporate governance
Our Bank is committed to ensuring effective corporate governance and sound risk management which are of fundamental importance in banking business. The Companies Act, 2019 (Act 992); The Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930); the Bank of Ghana's Corporate Governance Directive 2018; the Securities Industry Act, 2016 (Act 292); the Securities and Exchange Regulations as well as the Continuing Listing Requirements of the Ghana Stock Exchange provide us with the regulatory framework for ensuring effective corporate governance, anti-money laundering and combating financing of terrorism.

Outlook for the year 2020
The year 2020 is an election year and the outlook for Ghana is favourable with the current political stability. The economy remains sound and the environment positive due to the pursuance of prudent and appropriate micro economic policies of the Government. Your company will continue to look for innovative ways of maintaining profitable margins and sustainable and organic growth of our fee income activities. We will continue to seek out ways to strengthen and develop our operations. We will also mutualise and cost optimise and I am confident about the future.

Acknowledgement
On behalf of the Board of Directors, I wish to express my sincere gratitude to all shareholders of Societe Generale Ghana for your continued support. I would like to thank our customers and clients for their priceless support during the year. Finally, I would like to thank the hard working Management and employees for their effective cost optimisation and profits made in 2019.

Thank you for your attention.

KOFI AMPIM,
CHAIRMAN

MANAGING DIRECTOR'S REVIEW

I am pleased to share with you the progress and achievement made during 2019 and to share with you a review of our operations and the performance of your Company for the year 2019.

2019 operating results

The 107.4% growth in the 2019 results of the bank shows the resilience of the business model and strong commitment of the staff of SG Ghana in the execution of the strategy. Despite the decrease in the average interest rate, the bank has doubled its profits over the year. SG Ghana grew its deposit portfolio by 47.6% and also grew its loan book by 58.7%. This growth can be attributed to intensified deposit mobilization and aggressive loan generation campaigns.

Due to the effective risk profiling, monitoring and recovery efforts of the Risk and Recoveries Teams, we have been able to favorably reduce our Net Cost of Risk by 5.1%. Sustained profit growth in 2019 has also resulted in the 14.3% increase in the total shareholders' funds.

Human resources management providing a congenial working environment

In 2019, the Human Resource Management Function undertook a number of initiatives geared towards preparing the workforce to deliver on our major strategic objectives as well as providing for a congenial work environment for the well being of staff and their families. Among these initiatives were:

- An innovation workshop to kick-start and sustain staff interest in innovation.
- Promotion of the Bank's Code of Conduct in conformity with local and global standards.
- The Bank under its Diversity for Africa Program has set-up a Committee to define and implement key actions to promote diversity and women empowerment.
- Promotion of work-life balance through the set-up of a crèche and gymnasium for the benefit of staff.
- The Bank also initiated an internal mobility program through the use of a share point application, dubbed HRQlik. In addition to this, staff participation in a "live my life" program was introduced. These programs are meant to provide a platform for staff mobility and collaboration.

Review of operations for 2019

Retail banking aggressive incursions into businesses

The Retail Business has had a challenging year, following the recapitalization of the universal banks, which has brought in its wake intense competition. Banks that hitherto were key players in the corporate space are now making incursions into the retail space and are doing so aggressively. We had to strategize to meet this challenge and to a large extent we have been successful through proactive reviews and pricing of our offers on both loans and deposits. We launched a quick loan processing tool for our branches with an objective to improve the turnaround time for loan requests. The tool gives our branch managers the capability to take decisions on majority of the loan requests made at our branches thus helping to reduce the turnaround time for loan processing leading to a positive impact on customer satisfaction.

In terms of developing the network, we added two new branches in very active locations in Accra. The newly opened Kaneshie Market branch is situated in an area thriving with Professionals and Small Businesses (PSBs) where activity levels in terms of cash mobilization is very prominent. This branch has been strategically located to enable the bank take advantage of the potential of the branch in terms of deposit mobilization. So far the results of this initiative have proved positive. The Achimota branch which is also well situated was opened to serve as a bridge to the customers of the bank who were situated around the environs of Achimota and beyond.

In terms of growing the business, we continue to work on growing the portfolio of salaried workers and we have grown the stock significantly this year, even in the face of stiff competition and other challenges. The launch of the Premium Offer in the later part of the year was a strategic step at increasing and improving our product offering to our clientele.

We experienced continuous improvement in the performance of our Bancassurance business as we worked with our partners and invested in broadening the product knowledge and sales orientation of our staff. This was done with the aim of equipping them to sell the products better and offer value to our clients in terms of expert advice on insurance and financial services in general.

Managing Director's Review cont'd

Corporate coverage department
The Corporate Coverage Department was restructured in 2019 based on a mix of factors such as type/nature of business, ownership of the Business, and turnover of the business. The Department is thus now segmented as Global Corporates (Multinationals), Local Large Corporates, Public Sector Business and Middle Market. The new structure facilitates adequate time for coaching and allows the various sector heads build the capacity of their teams and affords them the opportunity to develop and deepen their knowledge towards becoming experts in their respective sectors of operation. The geographical representation of the Middle Market has so far been good ensuring that corporate coverage is represented in all the regions of Ghana on a sustained basis.

The participation in debt syndication and structured finance financing during the year significantly contributed to the asset growth of the business. Consequently, the asset portfolio of the Corporate Coverage Department during the year under review recorded an appreciable growth of 70.9% over the 2018 position. The deliberate and conscious effort via capex financing and medium to long term loans to change the structure of the asset book was aimed at reducing the impact of the volatility of the short term assets.

The deposit position also grew significantly by 77.4% in 2019. The focus on targeted customer acquisition as well as customer retention of major deposit generating clients contributed to the improved performance of the Corporate business over the year. Aggressive sale of our cash management and bill payment platforms will be vigorously pursued with effective collaboration with the YUP E-Banking platform to further solidify our customer base.

The Corporate coverage department will continue to deploy the Global Transaction Banking (GTB) experts, their products (Factoring, Cash management and Trade) and tools whilst collaborating with Treasury teams in the sale and closure of Swaps, forwards, forex sales etc. The joint presentations to customers and prospects would be intensified for maximum realization of the benefits of the value chain and cross selling strategy in order to be able to improve revenue and fees generation as well as overall growth.

Treasury operations
SG Ghana operates a modern treasury that is focused on Trading/Markets and ALM activities. Treasury Sales also has a bouquet of products and services that provide efficient solutions to our customers' needs. The team has a high caliber of treasury professionals with diverse skills and experience. The Treasury Change Plan, currently underway will further improve the Treasury offering and will result in more sophisticated solutions, efficiency and better pricing to our customers, despite the challenges of the operating environment.

SG Treasury remains poised to provide appropriate hedges and solutions for its own balance sheet and that of its cherished customers.

Organisation & projects
Organization and Projects continues to play a strong role in managing and coordinating various projects that seeks to promote efficiency in banking operations and improve customer experience. In the year under review, one of the major project initiated was the upgrade of the Core Bank System from the current Version 10 to Version 11. The upgraded version is expected to come with finer architecture to allow applications to better interact with the core banking system. A card issuance project was embarked on during the year to reduce the turnaround time of delivery of cards to customers from 14 days currently to an estimated time of between 48 hours to 72 hours.

Operational risk and permanent control
Operational Risk and Permanent Control department continues to play a pivotal role in deepening the risk culture in the Bank. In 2019, SG Ghana launched a number of innovative products and services. Effective risk assessments were performed on these products and services to enhance improvements in our business. The risk assessments focused on key areas of prevention, detection and response. The Risk Control Self-Assessment (RCSA) exercise, which identified the residual risks of the Bank activities and the Business Impact Analysis (BIA) were the strong control pillars performed in 2019 to strengthen our control systems. Our enhanced compliance activities also focused on strong ethical and regulatory standards giving SG Ghana an overall sound and solid image.

Compliance review
Compliance department plays an essential role in deepening the compliance culture in the Bank and ensuring adherence to Internal and external regulations. The department will continue to focus on key Compliance issues such as Anti-Money Laundering, Combatting Terrorist Financing, Anti-Bribery and Corruption, Market Integrity and Sanction & Embargoes to supplement the existing compliance framework in the Bank. The ongoing Know Your Customer programme helps the bank know its customers and meet their banking needs and drive productivity. The bank's compliance framework coupled with strong risk –awareness culture results in long-term relationships and sustainability of our business.

Social responsibility
We are and we will continue to remain a responsible Bank. Our external monetary social responsibility contributions were effected through donations to the Ghana Heart Foundation Korle Bu; the Royal Seed Orphanage; the Kaya Child Care Centre; Kokrokoo Charities; the Makola Institute; the Ghana Rugby Association; National Farmers Day; Climate Summit; the CEOs Summit; the Ghana Investment Promotion Centre; the Otumfuo Education Fund and other corporate and cultural institutions.

Managing Director's Review cont'd

The future
I am very optimistic about the year 2020, which is an election year. We know our strengths and our weaknesses. We will leverage on the first, correct, and adjust the second. In 2020, we will strengthen our positioning on loans, deposits and flows. We will improve our Global Transaction Banking capabilities and solutions and structure our Market activities to be more aggressive and more attractive. We will upgrade our payment solutions and our digital offer. It will be our priority with the full development and industrialization of YUP which is an alternative banking solution distributor of electronic money. Cost control will be optimized with strict respect to compliance and anti-bribery rules. We will continue to work on the efficiency and simplification of our processes and the further pooling of our resources.

Appreciation
Finally, I would like to end by thanking the Board of Directors, Management and every member of staff for their individual and collective contribution to the organic growth of the Bank.

Hakim Ouzzani
MANAGING DIRECTOR

REPORT OF THE DIRECTORS

The Directors in submitting to the shareholders the financial statements of the Bank for the year ended 31 December 2019 report as follows:-

	2019 GH¢	2018 GH¢
The Bank recorded net profit before taxation	176,691,350	105,211,956
From which is deducted taxation of	**(48,149,164)**	(43,239,671)
Giving a net profit after taxation of	128,542,186	61,972,285
From which a transfer to statutory reserves of	(64,271,093)	(30,986,143)
Leaving a profit for the year after taxation and transfer to statutory reserves of	64,271,093	30,986,142
When added to the opening balance on the income surplus account as of 1 January of	30,256,311	142,772,417
Of which transfer of revaluation gain to income surplus	-	-
From which is deducted a first time application impact of IFRS 9 of	-	(36,980,301)
Of which transfer to stated capital as bonus issue	-	(97,000,000)
From which is deducted a bonus issue expenses of	-	(6,838,589)
From which is deducted a right issue expenses of	-	(2,683,358)
From which is deducted final dividend daid of	(28,365,655)	-
Leaving a balance of	66,161,749	30,256,311
It leaves a closing balance on the Income surplus account of	**66,161,749**	**30,256,311**

Objective of the bank and nature of business
Societe Generale Ghana Limited is a public limited liability company incorporated under the Companies Act of 2019 Act 992. The company which is a Bank is listed on the Ghana Stock Exchange. The Company is licenced by the Bank of Ghana as a Universal Bank (Class 1 No 215) in Ghana under the Banks and Specialised Deposit Taking Institutions Act ,2016 (Act 930).

Holding company
The Societe Generale Group through its wholly owned investment subsidiary SG Financial Services Holding owns 60.22% of the issued capital of the Company, thus making Societe Generale Ghana Limited a subsidiary of the Societe Generale Group.

Investments
SSB Investments Company Limited, is a company incorporated in Ghana to manage the equity investments of the Bank is an investment company owned by the Bank. The nature of the business which the company is authorized to carry on are:-

- To carry on the business of an investment company and for that purpose to acquire and hold either in the name of the company or in that of any nominee, shares, stocks, debentures, bond notes and securities issues;
- To take over and manage all investments of the Bank Limited;
- To do all such other things which may seem to the company's directors to be incidental or conducive to the attachment of the objects.

SSBI has been inactive for a long time now since almost all of the investments which were held under it have been sold over time.

However, In order to comply with Section 73 (3) of the Banks and Specialized Deposit Taking Institutions Act, 2016 (Act 930) which provides that a Bank or Specialized Deposit Taking institution shall not invest or hold investments in the share capital of a body corporate other than a subsidiary of that bank

Report of the Directors cont'd

or specialized deposit taking institution that represents more than 5% interest in the body corporate, the bank has put in place processes to make SSB Investments Limited operational and functional in order to be able to use it as a vehicle to hold all its other investments that exceed the regulatory 5% threshold.

On 4 November 2019, the Re-registration process was completed at the Registrar Generals Department and SSB Investments was issued with a Registration Number CS241862019; a Tax Identification Number C003107913X, a Certificate of Incorporation and a Certificate to Commence Business. An application is pending with the Bank of Ghana seeking their approval to fully operationalize SSB Investments Limited.

Stated capital
The Bank has complied with the minimum stated capital requirement for universal banking as directed by the Bank of Ghana.

Changes in board of directors and senior management

Re-election of directors
In accordance with Section 88 (1) of the Regulations of the Company Mrs Agnes Tauty Giraldi retires by rotation and being eligible; offers herself for election.

Agnes Tauty Giraldi: She is the Head of Export Finance Africa, Europe and Structured Trade Finance, Societe Generale Corporate and Investment Banking. She has over 23 years' experience in the Corporate Investment Banking sector with an extensive experience of Structured Trade and Export Finance. She has solid experience in emerging markets and has led several deals involving sovereign, sub-sovereign, public and private corporates. She is currently the Head of Export Finance Africa, Europe and Structured Trade Finance, Societe Generale Paris. Within the Societe Generale Group, she has held the following positions; Deputy Head Origination Export Finance, Head of European Origination Export Finance, Country Manager in the Europe and Central Asia Desk, Societe Generale Paris, Vice president Societe Generale Paris responsible for the execution of documentation (Loan documentation, credit insurance, securities, etc.), Corporate Relationship Manager, Societe Generale London Relationship Manager SMEs, French Network, Societe Generale. She joined the Board of Directors on 11 April 2018 with Bank of Ghana granting approval on 1 October 2018.

Retirement of Directors
Mr Michel Miaille and Mrs Teresa Ntim have retired in compliance with the Bank of Ghana Corporate Governance Directive 2018. Mr Joseph Torku has also resigned as a Director of the Bank effective 26 March 2020. Mr Kofi Ampim will step down as Chairman of the Board of Directors once the Company receives written approval of a nomination, which is pending with the Bank of Ghana.

Election of directors
In accordance with Regulation 72(1) and 90 of the Regulations of the Bank Mr Georges Wega; Mr Arnaud de Gaudesmaris; Mrs Martine Hitti and Mrs Margaret Sekyere appointed as Directors during the year offer themselves for election.

Georges K. T. Wega: He holds a Bachelor of Science in Industrial Engineering and a Master of Science also in Industrial Engineering (General Management). His career spans over 22 years having worked in several capacities in organizations around the world. He worked primarily as a University Lecturer, then for Canada Post Corporation, General Electric, Barclays Bank and United Bank for Africa. Within the Societe Generale Group, he has also worked with SG Cameroon, SG Senegal and has served as the SG Regional Director for West Africa. He was nominated to the Board of Directors on 22 November 2018 with Bank of Ghana granting approval on 16 August 2019.

Arnaud De Gaudemaris: He holds an Engineering Degree from ISEP Paris. He is the current Chief of Staff to the Head of Societe Generale for the AFMO Region managing 14,000 staff. He is responsible for the organization of strategy preparation meetings, internal management meetings and also the African Region strategy. He was nominated to the Board of Directors on 28 November 2018 with Bank of Ghana granting approval on 16 August 2019.

Martine Hitti: She holds an Engineering Degree from the Ecole Nationale Superiere d'information pour l'industrie et l'entreprise in France. She is a currently a consultant and retired from the services of the Societe Generale Group in 2014. Whilst working with Societe Generale, she held the following positions; Director of Information Systems, Chief Information Officer International Retail Banking, IT Manager Cash Flows, Skills Development Manager, IT Securities Manager and IT Communications Manager. She was nominated to the Board of Directors on 12 April 2019 with Bank of Ghana granting approval on 6 November 2019.

Margaret Boateng Sekyere: She received a Bachelor's degree in Accounting and an MBA from Howard University in Washington D.C in 1985 and 1987 respectively. With over 30 years of experience in private and public sector management, she was instrumental in the development of the public sector reforms in Sierra Leone in the early 1990s and in Ghana from 2004 to 2007. In 1993, she was recruited by the Government of Sierra Leone to manage a 5 year Public Sector Program funded by the World Bank. From 1985 to 1989 she was in Public

Report of the Directors cont'd

Accounting and Mortgage Banking in the USA after which she joined Price Waterhouse in Ghana as a Management Consultant with special focus on Financial Management Reviews and Assessments of donor funding to public sector institutions. She served as a Senior Resource Management Officer of the World Bank Office in Ghana from 1998 to 2003 .Whilst there, she managed the administrative services and accounting team in the Country Office including training, systematic back-up and replacement planning. She played a key role in the coaching and development of newly recruited resource management staff for Country Offices in the Africa Region – South Africa, Uganda, Zimbabwe, Malawi, Nigeria, Ethiopia and Kenya. From 2007 to 2013, she joined a team to set up an Asset Management Firm – OAK Partners Ltd., - providing financing for private real estate projects in Accra. During the period of 2013-2018, she was an Executive Director of Finance and Administration for Belstar Capital. At Belstar, she also played a key role as a Licensed Investment Advisory Representative of the Securities and Exchange Commission, responsible for compliance of financial regulatory matters. She was nominated to the Board of Directors on 12 July 2019 with Bank of Ghana granting approval on 20 November 2019

Changes in senior management
The Chief Compliance Officer for the Bank Mrs Dorcas Quaye retired from the services of the company on reaching the retirement age of 60 years. Ms Jerodine Bampoe Addo has been nominated to act as the Chief Compliance Officer. The Company is seeking the prior approval of the Bank of Ghana in line with the Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930) which provides that a bank or specialised deposit taking institution shall not appoint a person as a key management personnel without the prior written approval of the Bank of Ghana.

Directors' interest
One Director holding office at the end of the year owned a total of 2,490 shares of the Banks total shares of 709,141,367. None of the other Directors had any interest in the shares of the Bank's subsidiary at any time during the year. None of the Directors had a material interest in any contract of significance with the Bank during the year.

Dividend
The Board of Directors have recommended a dividend of GH¢ 0.09 per share. This will be placed before the shareholders for approval.

Name change
The Board of Directors are recommending that the name of the Company be changed from Societe Generale Ghana Limited to Societe Generale Ghana Public Limited Company in compliance with Section 21(1)(b) of the Companies Act, 2019 (Act 992).

Policy on environmental and social management systems
The Bank has a Policy on Environmental and Social Management Systems, which was approved by the Board of Directors on 25 July 2014. It also has an Environmental and Social Management Systems Charter, which was duly approved by the Board of Directors of the Bank on 26 July 2013. Societe Generale Ghana considers that the banking and financial sector is an essential contributor to economic development. Fully aware of its role in assisting the economic sphere, Societe Generale Ghana is committed to conducting its activities in a responsible way. Taking into account the economic, environmental and social consequences and impacts of its activities is a major focus of the Bank's sustainable development policy.

Based on continuous improvement, sustainable development as interpreted by Societe Generale Ghana draws on best practices of the Societe Generale Group and the other economic sectors. The objective of the Bank is to better understand, manage and improve its impacts on society and the environment, in conjunction with its stakeholders.

Societe Generale Ghana has established an Environmental and Social Management Systems (ESMS) General Guidelines. The ESMS General Principles stem from the legal and regulatory framework applicable to the Bank's activities. They are implemented through processes and procedures adapted to the different activities of the Bank. The Guidelines outline the key standards and parameters enabling a responsible engagement of Societe Generale Ghana in all its activities. They may evolve with time, according to legislative or regulatory evolutions and as a result of the discussions between the Bank and its various stakeholders. The scope of these guidelines apply to banking and financial services provided by Societe Generale Ghana.

Societe Generale Ghana complies with the Environmental and Social laws and regulations in force in Ghana and with the applicable International, environmental and Social conventions and agreements. Societe Generale Ghana being part of the Societe Generale Group adopts and respects the values and principles enshrined in the following international conventions and agreements:

Report of the Directors cont'd

- the Universal Declaration of Human Rights and associated covenants (namely the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights);
- the main Conventions of the International Labour Organization;
- the UNESCO Convention concerning the Protection of the World Cultural and Natural Heritage;
- the OECD Guidelines for Multinational Enterprises.
- the UNEP Finance Initiative;
- the UN Global Compact;
- the Equator Principles.

Legal and regulatory obligations and adoption of the above standards and initiatives entail that Societe Generale Ghana shall not knowingly finance transactions linked to certain goods and services defined in its policy.

Corporate social responsibility
The Banks corporate social responsibility contributions were effected through donations and sponsorships the Ghana Heart Foundation Korle Bu Teaching Hospital; the Royal Seed Orphanage; the Kaya Child Care Centre; Kokrokoo Charities; the Makola Institute; the Ghana Rugby Association; National Farmers' Day; Climate Summit; the CEOs Summit; the Ghana Investment Promotion Centre; the Otumfuo Education Fund and other corporate and cultural institutions. The total amount spent on Corporate Social Responsibility for the year as disclosed in the financial statements is GH¢ 853,845.

Corporate governance directive by the Bank of Ghana
The Corporate Governance Directive ,2018 issued by the Bank of Ghana under the powers conferred by Sections 56 and 92 of the Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930) requires Regulated Financial Institutions to adopt sound corporate governance principles and best practices to enable them undertake their licensed business in a sustainable manner; to promote the interest of depositors and other stakeholders by enhancing corporate performance and accountability of the Regulated Financial Institutions; and to promote and maintain public trust and confidence in Regulated Financial Institutions by prescribing sound corporate governance standards which are critical to the proper functioning of the banking sector and the economy as a whole.

Sound corporate governance standards
The Board of Directors of the Bank have overall responsibility for the Company including approving and overseeing the implementation of the strategic objectives, risk strategy, corporate governance and corporate values. The Board is responsible for appointing and providing oversight of Senior Management. These responsibilities are set out in the formal Charter of the Board.The Charter was duly approved by members on 28 November 2018.

The Board ensures that a well-structured and rigorous selection system is in place for the appointment of Key Management Personnel through the Recruitment Policy of the Bank .The Board validates the nominations of Key Management Personnel prior to submitting same to the Bank of Ghana for approval.

Annual certification
In compliance with Bank of Ghana's Corporate Governance Directive for certification within 90 days, at the beginning of each financial year, the Board of Directors of the Company certify general compliance with the Directive. The Board further certifies that:

i. the Board has independently assessed and documented the corporate governance process of the Bank and has generally achieved its objectives

ii. the Directors are aware of their responsibilities to Bank as persons charged with governance.

iii. the Board further confirms that it shall report any material deficiencies and weaknesses that have been identified in the course of the year along with action plans and timetables for the corrective action by the Board to the Bank of Ghana.

iv. the Board of Directors have received training by the Ghana National Banking College on Governance and Directors Responsibilities.

Business strategy
The Board approves and monitors the overall business strategy of the Bank taking into account the long-term financial interest of the company, its exposure to risk and its ability to manage risk effectively. The Board approves and oversees the formulation and implementation of the:-

- overall risk strategy, including its risk tolerance/appetite;
- policies for risk, risk management and compliance, including anti-money laundering and combating the financing of terrorism risk;
- internal controls system;
- corporate governance framework, principles and corporate values including a code of conduct
- compensation system

Duty of care and loyalty
The members of the Board exercise a ''duty of care'', ''duty of loyalty'' and other duties of Directors to the Company all times which is stipulated in the Companies Act, 2019 (Act 992) and the Regulations of the Company.

Report of the Directors cont'd

Corporate culture and values
The Board has established corporate culture and values for the Company that promote and reinforces norms for responsible and ethical behaviour in terms of the Bank's risk awareness, risk-taking and risk management. The Company has in place a Code of Conduct, a Conflict of Interest Policy and a Code of Conduct on Anti Bribery and Corruption Policy duly approved by the Board of Directors.

To promote sound corporate culture in the Company, the Board has taken the lead and established the tone at the top by setting and adhering to corporate values for itself, key management and employees that create expectations that business should be conducted in a legal and ethical manner at all times. The Board also ensures that appropriate steps are taken to communicate throughout the Company, the corporate values and professional standards it sets together with supporting policies and appropriate sanctions for unacceptable behaviours.

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

Plan for succession
The Board has duly approved a succession plan and duly submitted same to the Bank of Ghana for approval. The succession plan focuses on developing human resources to enable the Company to retain a pool of qualified candidates who are ready to compete for key positions and areas when they become vacant to ensure effective continuity of the Bank.

Key management oversight
The Board provides oversight of Senior Management as part of the Company's checks and balances and

a. monitors and ensure the actions of Senior Management through reports from Management are consistent with the strategy and policies approved by the Board, including the risk tolerance, appetite and risk culture;

b. meets regularly with Senior Management through the Board sub committees;

c. questions and reviews critically explanations and information provided by senior management;

d. ensures that the knowledge and expertise of senior management remain appropriate given the nature of the business and the Bank's risk profile.

e. oversees the implementation of appropriate governance framework for the Company

f. ensures that appropriate succession plans are in place for senior management positions.

g. oversees the design and operation of the Company's compensation system, monitor and reviews the system to ensure that it is aligned with the desired risk culture and risk appetite of the Company

h. approves the overall internal control framework of the Company and monitor its effectiveness

Separation of powers
There is a clear division of responsibilities at the top hierarchy of the Company. The positions of the Board Chair and the Managing Director are separate. The two top positions of Board Chair and Managing Director in the company are not occupied by foreigners. The Chairman is a Ghanaian National and the Managing Director is a French National. Further no two related persons occupy the positions of Board Chair and Managing Director of the Company.

Independent directors
The Board of Directors are in the process of ensuring and achieving convergence on the position of Independent Directors with an updated self-appraisal. Following the Board nomination, the Bank of Ghana have approved the on boarding of two Independent Directors. The final determination of the Independence of a Board of Director rests with the Bank of Ghana. However, the Board of Directors will ensure that an Independent director shall be non-executive and shall not:-

- hold cross directorship positions with another director on the Board of other institutions
- be a director on the Board of an institutional shareholder with significant equity interest in the Regulated Financial Institution.
- have more than 5% equity interest directly or indirectly in the Company or in its related companies;
- be employed in an executive position in the Company or its related company at least 2 years prior to his appointment date;
- have relatives employed by the Company or any of its related companies as Key Management Personnel in the last two (2) years;
- have engaged in any transaction within the last two (2) years with the Company on terms that are less favourable to the Company than those normally offered to other persons; or

Report of the Directors cont'd

- have served as a director in the Company continuously for more than two (2) terms unless the director can affirm that his/her independence is not impaired.
- be related to persons with significant shareholding in the Company or have any business or employment connections to a significant shareholder

Board qualifications and composition
Board members have the requisite qualification as Directors of a leading Financial Institution in Ghana listed on the Ghana Stock Exchange. The Board of Directors have within the year received relevant training as facilitated by the National Banking College. The Board were also trained internally in matters relating to Compliance, Anti Money Laundering, Combatting Financing of Terrorism and Anti Bribery and Corruption by the Chief Compliance Officer of the Bank.

The Board of Directors have a clear understanding of their role in corporate governance and are able to exercise sound and objective judgment about the affairs of the Company. They possess, individually and collectively, appropriate experience, competencies and personal qualities, including professionalism and integrity.

The competencies of Boards are diverse to facilitate effective oversight of Management and covers a blend of Banking, Law, Finance, Accounting, Economics, Business Administration, Financial analysis, Risk Management, Strategic planning and Corporate Governance. The Board collectively have reasonable knowledge and understanding of local, regional and global economic market forces as well as legal and regulatory environment in which the Company operates. Ghanaian nationals, ordinarily resident in Ghana, constitute at least 30% of the Board composition of the Company.

The Board of Directors are working assiduously to ensure that Independent Directors constitute at least 30% of the composition of the Board. Two Independent Directors have been approved by the Bank of Ghana, one nomination is pending and one confirmation for validation of a Director as Independent is also pending with the Bank of Ghana. The Company does not have members serving on its Board that are Related Persons.

Board Size and Structure
As at 31 December 2019 the Board members were 11 including the Chairperson, the majority of which were non-executive and ordinarily resident in Ghana. There is an appropriate balance of power and authority on the Board between the executive and non-executive directors and no individual or group shall dominate the Board's decision-making process.

Directors' appointments and managing director tenure
The procedure for appointment of directors to the Board is formal and transparent and conform to the Directive issued by the Bank of Ghana on fit and proper persons. The Bank complies with the Bank of Ghana directive in respect of the tenure of the Managing Director of 12 years.

Appointment of key management personnel
The Bank submits to the Bank of Ghana before it appoints a Key Management Personnel, an enhanced due diligence report on proposed nominees as Key Management Personnel. The Bank also conducts police criminal background checks; obtains references from previous employers and 2 other reputable persons; notifies the Central Bank about the recruitment of Key Management personnel and obtains approval.

Alternate director
The Bank does not currently have any alternate directors.

Board chairman
The Chairman of the Board is a non-executive Director and is ordinarily resident in Ghana. The Chairman provides leadership to the Board and ensures that Board decisions are taken on a sound and well-informed basis. The Chairman encourages, promotes critical discussion, and ensures that dissenting views can be expressed and discussed within the decision-making process. The Chairman encourages constructive relationship within the Board and between the Board and Management.
He promotes checks and balances in the governance structure of Bank. He does not serve as a Chairman of any of the Board sub committees. The Board of Directors worked on achieving convergence with the tenure of the Board Chairman and submitted a nomination for the approval of an Independent Director. This nomination is currently pending approval at the Bank of Ghana.

The board secretary
The Board Secretary serves as an interface between the Board and Management and supports the Chairman in ensuring the smooth functioning of the Board. The Board Secretary advises the Board on matters relating to statutory duties of the directors under the law, disclosure obligations and company law regulations as well as on matters of corporate governance requirements and effective Board processes. The Board Secretary ensures that directors are provided with complete, adequate and timely information prior to Board meetings.

Board meetings
The Company holds a minimum of four Board meetings annually in February, April, July and December. It also has one Annual General Meeting in March. In compliance with the Bank of Ghana's Directive on Corporate Governance, the Board hereby discloses the total number of Board meetings and the attendance rate of each Director on the next page which is above 50%:-

Report of the Directors cont'd

No	Name	20 Feb 2019	28 Feb 2019	04 Mar 2019	12 Apr 2019	12 July 2019	05 Dec 2019	Attendance
1	Kofi Ampim	yes	no	no	yes	yes	yes	66%
2	Hakim Ouzzani	Yes	yes	yes	yes	yes	yes	100%
3	Teresa Ntim	yes	yes	yes	yes	yes	yes	100%
4	Joseph Torku	yes	yes	yes	yes	yes	yes	100%
5	Michel Miaille	yes	yes	yes	Yes	yes	yes	100%
6	Georges Wega	N/A	N/A	N/A	N/A	N/A	N/A	-
7	Agnes T. Giraldi	no	yes	yes	yes	yes	yes	83%
8	Arnaud De Gaudemaris	N/A	N/A	N/A	N/A	N/A	N/A	-
9	Laurette Otchere	No	yes	no	yes	yes	yes	66%
10	Martin Hitti	N/A	N/A	N/A	N/A	N/A	N/A	-
11	Margaret Sekyere	N/A	N/A	N/A	N/A	N/A	N/A	-

* N/A applicable to new directors who where under going various stages of approval during the year

The Board discusses the business affairs of the Bank through reports submitted by management in writing as follows:-

- a summary of financial statements and performance review against the approved budget, business plan, peers and industry;
- the extent to which the bank is exposed to various risks such as credit, liquidity, interest rate, foreign exchange, operational and other risks;
- review of non-performing loans, related party transactions and credit concentration;
- activities of the Bank in the financial market and in its Nostro accounts;
- effectiveness of internal control systems and human resource issues;
- outstanding litigations and contingent liabilities;
- list of related party exposures and their classification.

Other engagements of directors

The Board is aware that to enable greater commitment to Board matters no director holds more than five (5) directorship positions at a time in both financial and non-financial companies (including off-shore engagements) subject to the restriction against concurrent directorships in banks under section 58(1)(e) of Act 930. Directors' other engagements are disclosed below.

Report of the Directors cont'd

Types and duties of outside board and management positions.

Name	Nationality	Age	Position	Appointed	Profession & Directorships held
Kofi Ampim	Ghanaian	73	Chairman	2003	• Investment Banker • Total Oil Co. Ltd • Allianz Ghana Ltd • Belstar Ltd.
Hakim Ouzzani	French	51	Executive	2016	• Banker • SSB Investments Ltd
Joseph Torku	Ghanaian	57	Non-Executive	2017	• Chartered Accountant • Management Consultant
Teresa Ntim	Ghanaian	75	Non-Executive	2005	• Consultant • Lower Pra Rural Bank; • Isser Development Fund; • Ave Maria Health Farm • Telecom International Ghana
Michel Miaille	French	76	Non-Executive	2003	• Retired Banker
Lauretta Korkor Otchere	Ghanaian	58	Non-Executive	2017	• Deputy Director General SSNIT • Barrister at Law • Human Resource Expert
Agnes Tauty Giraldi	French	54	Non-Executive	2018	• Banker • SG Managing Director; Europe, Africa, Structured Trade Receivables Finance
Arnaud De Gaudesmaris	French	44	Non-Executive	2019	• Banker • Director SG Benin
Martine Hitti	French	63	Independent Non-Executive	2019	• Retired
Georges Wega	Cameroonian	50	Non-Executive	2019	• Banker • Director SG Benin
Margaret Sekyere	Ghanaian	58	Independent Non-Executive	2019	• Accountant

Report of the Directors cont'd

Board performance evaluation
The Board carries out self-assessment of its performance for individual Board members in order to review the effectiveness of its own governance practices and procedures .The Board also assesses Anti-Money Laundering and Combatting Financing of Terrorism Training issues to determine where improvements may be needed and make any necessary changes.
The Board will ensure that it undertakes a formal and rigorous evaluation of its performance with external facilitation of the process every two (2) years.

Report on board evaluation
An in-house performance evaluation of the Board is conducted annually and a copy of the results submitted to the Bank of Ghana not later than 30 June of each year.

A separate in-house performance evaluation of the Board on AML/CFT issues shall be submitted to the Bank of Ghana and the Financial Intelligence Centre for June and December each year before the end of the quarter following the evaluation period.

A statement on the external evaluation of the Board will be included as a separate section of the annual report of the Regulated Financial Institution and a detailed copy of the report submitted to the Bank of Ghana. This will be undertaken once every two years.

Building the capacity of directors
The details of the steps taken to build the capacity of the Directors to discharge their duties included a session ran by the Ghana National Banking College on Corporate Governance during the year under review. The Directors were also trained by the Chief Compliance Officer on Anti Money Laundering and Combatting Financing of Terrorism.

Board sub-committees
The Board has in place an Audit & Accounts Committee; a Risk Committee and a Nomination & Compensation Committee. The Board is working on achieving convergence with the Corporate Governance Directive as it currently has approval for only 2 Independent Directors from Bank of Ghana.
The Chief Risk Officer, the Chief Compliance Officer and the Head of Internal Audit report directly to the Board via the Sub Committee and the Managing Director.

Conflicts of interest
The Board has in place a Conflict of Interest Policy which includes:-

a. the duty of the director to avoid possible activities that could create conflicts of interest;

b. a review or approval process for directors to follow before they engage in certain activity so as to ensure that such activity will not create a conflict of interest;

c. the duty of the director to disclose any matter that may result, or has already resulted in a conflict of interest;

d. the responsibility of the director to abstain from voting as prescribed and on any matter where the director may have conflict of interest;

e. adequate procedures for transactions with related parties to be made on a non-preferential basis; and the way in which the Board will deal with any non-compliance with the policy.

The Conflict of Interest Policy was approved by the Board of Directors on 28 November 2018. The Board maintains an up-to-date register for documenting and managing conflict of interest situations in the Company.

Interest register
The Board of Directors duly approved a Conflict of Interest Policy. The Directors maintain an up-to-date register for documenting and managing conflict of interest situations in the Company. During the year under review, one interest was registered on 5 December 2019 in respect of a Non-Executive Director. Full disclosure was made in respect of the contract between the parties and the Non-Executive Director (Mr Georges Wega) excused himself and did not take part in the decision made by the Directors. The Chief Compliance Officer was formally notified of this occurence on 29 December 2019.

Group structures
The Board of SG Financial Services Holding company shall have the ultimate responsibility for the adequate corporate governance across the Group. The Board shall ensure that there are governance policies and mechanisms appropriate to the structure, business and risk of the group and its entities. The Board of Directors in addition to the Bank of Ghana Corporate Governance Directive of December 2018 utilizes the SG Group Corporate Governance Principles Instruction 01422 VI EN applicable to Group entities.

Senior management duties
Under the direction of the Board, Senior Management ensures:-

- that the activities of the Bank are consistent with the business strategy, risk tolerance/appetite and the Board approves policies.

- a management structure that promotes accountability and transparency

- implementation of appropriate systems for managing risks both financial and non-financial to which the Bank is exposed.

- that they engage skilled and competent staff and provide training and development opportunities to sustain the delivery of short and long-term business objectives, the risk management framework and protect the reputation of the Bank.

Risk management and internal controls
The Board ensures that the Bank has effective internal controls systems and a risk management function including a Chief Risk Officer with sufficient authority, stature, independence, resources and access to the Board.

Report of the Directors cont'd

Risk management function
The Board has in place a risk management function which is responsible for: identifying key risks to the Bank ;

- assessing those risks and the Banks exposure to the identified risks;
- monitoring the risk exposures and determining the corresponding capital needs on an on¬going basis;
- monitoring and assessing decisions to accept particular risks, risk mitigation measures and if the risk decisions are in line with the Board approved risk tolerance/appetite and risk policy;
- submitting risk management reports to Senior Management and the Board.

Chief risk officer
The Company has a Chief Risk Officer who is an independent Key Management Personnel and who is involved in the operations of the bank with distinct responsibility for the risk management function and the comprehensive risk management framework of the bank across the entire organization. The independence of the Chief Risk Officer is distinct from other executive functions and business line responsibilities. The Chief Risk Officer reports to the Board via the Risk Committee with a functional report line to the Managing Director. He has unfettered reporting access to Board and its Risk committee. Interaction between the Board Risk Committee and the Chief Risk Officer is regular and comprehensively documented.

Internal controls
Internal controls within the Bank are designed to ensure that each key risk has a policy, process or other measure, as well as a control to ensure that such policy, process or other measure is being applied and works as intended. Internal controls help provide comfort that financial and management information is reliable, timely and complete and that the Bank is in compliance with its various obligations, including applicable laws and regulations.

Head internal audit
The Bank has a Head, Internal Audit who is an independent Key Management Personnel who has no involvement in the audited activities and business line responsibilities of the Bank. The Head Internal Audit is competent to examine all areas in which the Bank operates and:

- has the professional competence to collect and analyze financial information as well as evaluate audit evidence and to communicate with the stakeholders of the internal audit function; possess sufficient knowledge of auditing techniques and methodologies;
- is a member of a relevant recognized professional body;

The Head of Internal Audit reports to the Board sub-committee on audit and has direct access to the Board and its audit committee. Interaction between the Board Audit Committee and the Internal Audit is regular and comprehensively documented.

Group-wide and bank-wide risk Management
Risks in the Bank are identified and monitored on an on-going group-wide and bank-wide basis. The sophistication of the risk management and internal control infrastructure is sufficiently robust information technology infrastructure keeps pace with developments.

Risk management in subsidiary banks
The Board and Senior Management of parent banks or financial holding companies conducts strategic, group-wide risk management and prescribe group risk policies. The Board and Senior Management of Bank make appropriate input into the group-wide risk management policies and assessments of local risks. Adequate stress-testing of the subsidiary portfolios is done based on both the economic and operating environment of the subsidiary and on potential stress of the parent bank or Financial Holding Company. The results of stress tests and other risk management reports shall be communicated to the Board and Senior Management.

Internal and external audit functions
The Board and Senior Management effectively utilize the work conducted by the internal audit functions, external auditors and internal control functions. The Board recognizes and acknowledges that independent, competent and qualified internal and external auditors, as well as other internal control functions, are vital to the corporate governance process and engage the auditors to judge the effectiveness of the risk management function and the compliance function.

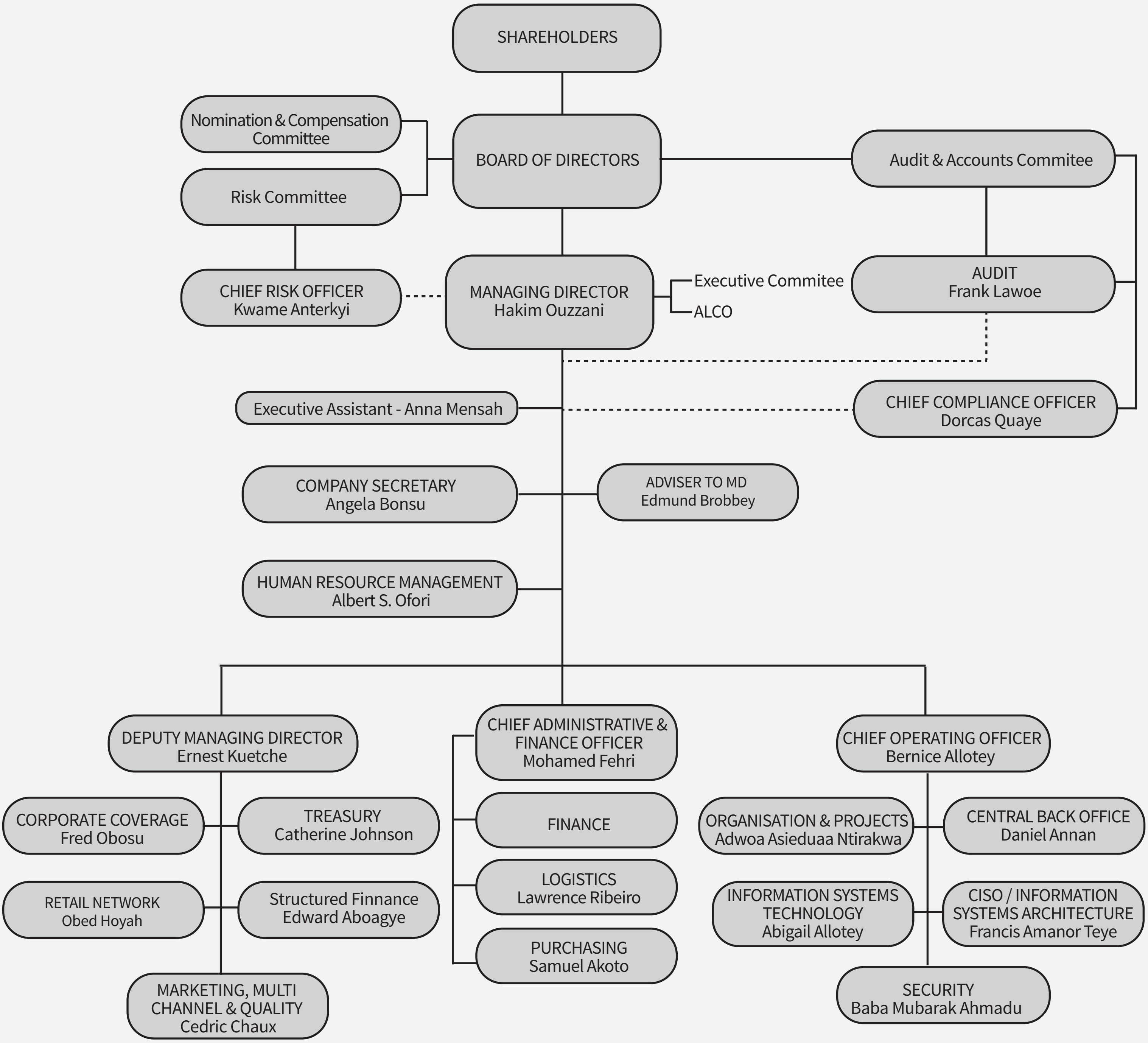
Compensation system
Where share options are adopted as part of executive remuneration or compensation, it shall be tied to performance and subject to shareholders' approval at an annual general meeting. The Bank has disclosed the details of shares held by directors and related parties.

The Bank's corporate structure
The Board and Senior Management understand the structure and the organization of the group and the Bank. The Board actively oversees the design and operation of the compensation system. The Board monitors and reviews the compensation system to ensure that it is effectively aligned to ensure

- prudent risk taking;
- levels of remuneration are sufficient to attract, retain and motivate executive officers of the bank and this is balanced against the interest of the bank in not paying excessive remuneration;
- where remuneration is tied to performance, it shall be designed in such a way as to prevent excessive risk taking;

The Board is working on achieving convergence for a Committee of Independent Directors to determine the remuneration of executive directors.

CORPORATE STRUCTURE



Report of the Directors cont'd

Ethics and professionalism
The Bank has in place a Code of Conduct which was duly approved by the Board of Directors on 28 November 2018. The Code of Conduct has been made available to the Board of Directors and all Employees. The Code shall be reviewed regularly and when necessary. It contains practices necessary to maintain confidence in the integrity of the Bank and commit the Bank, its staff, management and the Board to the highest standards of professional behaviour, business conduct and sustainable banking practices. It has been approved by the Board and signed off by employees that they understand the code and sanctions for breaching the policy.

Cooling-off period
The Bank will respect the Cooling Off period under the Corporate Governance Directive which stipulates that former Bank of Ghana officers, directors or senior executives shall not be eligible for appointment as a director of the Bank until after a period of two (2) years following the expiration or termination of their contract of employment or service from the Bank of Ghana. A practicing audit professional or partner who is rendering services or had rendered auditing services in the banking industry shall not be appointed as a director of the bank until one (1) year has elapsed since last engagement with any Bank by that person.

A Code of ethics for all company employees
Societe Generale Ghana has a Code of Ethics for staff and this has been made available to all employees of the Bank.

Code of ethics for the board and waivers to the ethics code
The Regulations of the Bank provides for ethics for the Board and provides that the Directors stand in a fiduciary relationship towards the Company in any transaction with it or on its behalf. A Director shall act at all times in what he/she believes to be the best interest of the Company as a whole so as to preserve its assets, further its business, and promote the purposes for which it was formed, and in such manner as a faithful, diligent, careful and ordinarily skilful Director would act in the circumstances. In considering whether a particular transaction or course of action is in the best interests of the Company as a whole a Director may have regard to the interests of the employees, as well as the members, of the Company, and, when appointed by, or as representative of, a special class of members, employees, or creditors may give special, but not exclusive, consideration to the interests of that class.

Performance evaluation process
The Board has in place an evaluation process which covers the functions of the Board; Board meetings management and procedures; Appointment, Induction, Training and Development; Succession and Removal; Board Structure; Information and Communication. An evaluation was undertaken during the Reporting Period.

Role and functions of the board of directors and committees of the board.
The main task of the Board of Directors is to make sure that the Bank's operations comply with the relevant applicable regulations and with the strategy defined. In this capacity, it must:

- define and follow up the implementation of the Bank's strategic orientations while making sure its business is developing in the proper conditions of security;
- check and approve management activities by relying on the work of the reporting committees from which it regularly receives information and to which it may assign tasks where necessary
- appoint, according to applicable local rules, the Bank's Representatives who shall manage the Bank,
- make sure the information given to the banking and market authorities and to shareholders is reliable.
- it must assess the way it operates annually.

There are three reporting Committees responsible for supporting the Board of Directors, which are the Risk Committee; the Audit and Accounts Committee; and the Nomination and Compensation Committee.

Independence of the board of directors.
The Bank is committed to achieving the highest standards of corporate governance, corporate responsibility and risk management when conducting its business. The Bank ensures that it conducts its business activities in accordance with all laws and regulations, which govern its business activities. The Board of Directors are responsible for ensuring that Societe Generale Ghana achieves and maintains a high standard of corporate governance and practices.

The Bank has an eleven-member Board comprising one executive director; two Independent Directors and eight non-executive directors. The Board consists of highly qualified individuals with diverse professional experiences: The core role of the Board is to promote the success of the Bank by providing direction and supervision in the Bank's affairs. Among other roles, the Board:

- provides leadership to the Bank within a framework of prudent and effective controls which enable risks to be assessed and managed;
- provides input into the development of the long-term objectives and overall commercial strategy for the Bank and is responsible for the oversight of the Bank's operations while evaluating and directing the implementation of the Bank's controls and procedures;

Report of the Directors cont'd

- provides oversight of the Bank's strategic aims, ensuring that the necessary financial and human resources are in place for the Bank to meet its objectives, as well as reviewing management performance;
- upholds the Bank's values and standards and ensures that its obligations to its shareholders and other stakeholders are understood and met; and
- ensures timely and accurate financial reporting to shareholders.

Remuneration and other benefits of directors
Section 185(1) of the Companies Act, 2019 (Act 992) provides that the fees and other remuneration including salary payable to the directors in whatsoever capacity shall be determined from time to time by ordinary resolution of the company and not by any provisions in an agreement. Section 78(3) of the Regulations of the Company provides that fees payable to Directors shall not be increased except pursuant to an ordinary resolution passed at a General Meeting, where notice of the proposed increase has been given in the Notice convening the meeting. Collectively, the Directors at the Board meeting preceding the Annual General Meeting agree their fees and this then placed before the Shareholders of the Bank through an ordinary resolution at the Annual General Meeting.

Checks and balances mechanisms balancing the power of the CEO with the power of the board.
Section 87 of the Regulations of the Company provide that the Board of Directors may from time to time appoint one of their body to the office of Managing Director. The person shall be the Chief Executive, for such period and on such terms as may be determined and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment and such appointment shall be automatically determined if the holder of the office ceases for any cause to be a Director.

Subject to any directives of the Board on matters of general policy the Managing Director shall be responsible for the directions of the day-to-day business of the Bank and for its administration.

If the Managing Director is absent from Ghana or is otherwise incapacitated from performing duties of the office, the Board may authorise an employee of the Bank to exercise, for the time being, all the duties and powers of the Managing Director.

The Directors may entrust to, confer upon a Managing Director any of the powers exercisable by them upon such terms, and with such restrictions as they think fit. and either collaterally with, or to the exclusion of, their own powers and, subject to the terms of any agreement entered into in any particular case, may from time to time revoke or vary all or any of such powers.

Process for appointment of external auditors
Section 81 of the Banks and Specialized Deposit Taking Institutions Act, 2016 (Act 930) vests the shareholders of a bank with the power to point the external auditors at an Annual General Meeting and be approved by the Bank of Ghana in the manner and on the terms as may be described.

Process for interaction with external auditors
The Board of Directors on an annual basis invite the external auditors of the company to a meeting for an Independent Auditors Report on the Audited Financial Statements of the Company. At the meeting a Management letter of the company is submitted to the Directors of the Company. The external auditors of the company explain to the Board the completion of the audit on the company which is undertaken in accordance with international standards. They usually state that the audit is conducted to enable the external auditors form an opinion on the financial statements that have been prepared by management with oversight of the Board of Directors. They further explain to the Board that the audit of the financial statements does not relieve management or the Board of their responsibilities. The auditors draw the Board's attention to any matters identified during the audit of the financial statements of the company. The auditors obtain Management's Responses to any matter(s) and draw the Board's attention to any areas of concern. At the meeting, the External Auditors report on the Financial Statements, the Directors Responsibility for the Financial Statement, the Auditors Responsibility, Opinion and Report on other legal and regulatory requirements.

Duration of current auditors
Messrs Ernst & Young were appointed as Auditors of Societe Generale Ghana Limited on 31 March 2017 during the Bank's Annual General Meeting. Thus, they are in their fourth year of providing auditing services to the bank. They were appointed in accordance with Section 134(5) of the Companies Act, 1963 (Act 179) as amended, which has now been repealed and replaced with the Companies Act, 2019 (Act 992) and Section 54(2) (d) of the Regulations of the Bank.

Auditors' involvement in non-audit work and the fees paid to the auditors
Apart from the audit assignment, Ernst and Young were not engaged by the bank to undertake any non-audit work during the year.

Auditors remuneration
In accordance with Section 140 of the Companies Act, 2019 (Act 992) Messrs.' Ernst & Young have agreed to continue in office as the Bank's auditors. A Resolution to authorize the Directors to determine their remuneration for the year ended 31 December 2019 will be proposed at the Annual General Meeting. Refer to note 28(b) of this annual report for the amount payable by way of audit fees.

Stated capital of the bank
The stated capital of the Bank is GH¢ 404,245,427.

Report of the Directors cont'd

Substantial shareholders
Details of the Bank's twenty largest shareholders are disclosed in Note 44 of the financial statements.

Corporate governance
Societe Generale Ghana Limited respects the standards of good corporate governance, which include transparency, accountability and rights of all its stakeholders.

Risk committee
In line with its Corporate Governance principles, the Board of Directors has a Risk Committee made up of the following directors:

Michel Miaille	-	Chairman
Hakim Ouzzani	-	Member

The Risk Committee has the following functions. It;

- analyses on a periodical basis the organisation and functioning of the Bank's risks departments.

- reviews the portfolio of credit and market risks to which the Bank is exposed.

As regards counterparty risks, the Risk Committee shall review the following:-

- the content of and changes to the portfolio per type of facility and debtor,

- the regulatory ratios and key indicators,

- changes to the quality of commitments: sensitive, irregular, non-performing files,

- compliance with the conditional authorizations issued by the Societe Generale, etc.

- adequacy of the level of provision for the risks incurred,

- the efficiency of debt collection,

- reports to the Board of Directors on its work.

The Committee reports its findings to the Board of Directors with the requisite recommendations. In attendance at Risk Committee meetings are the Managing Director, Deputy Managing Director, Chief Operating Officer, Chief Risk Officer; Head of Audit Department; Chief Administrative and Finance Officer; General Manager Corporate Coverage; the Chief Compliance Officer; and the Head of Permanent Control. The Risk Committee operates under a Charter.

Audit and accounts committee
In line with its Corporate Governance principles, the Board of Directors has an Audit and Accounts Committee made up of the following directors:

Mr. Joseph Torku	-	Chairman
Michel Miaille	-	Member
Kofi Ampim	-	Member
Teresa Ntim	-	Member
Mrs Laurette Otchere	-	Member

This Committee reviews and makes recommendations to the Board on all aspects of the audit and financial reporting processes. In attendance at Audit and Accounts Committee meetings are the Managing Director, Deputy Managing Director, Chief Operating Officer, Head of Audit Department, Head of Permanent Control Department and where necessary, the Bank's External Auditors. The Audit and Accounts Committee operates under a Charter.

The Audit and Accounts Committee:

- keeps up-to-date with changes in the legal and regulatory environment affecting the work the committee monitors for proper execution.

- reviews and validates the accounts of the bank and the work of the External Auditors

- periodically gives an opinion of the organisation and functioning of the Bank's periodic and permanent internal control. Suggests to the Board of Directors the relevant adaptations, monitors the implementation of these measures and reports on their application to the Board of Directors.

- validates, in consultation with the Groups relevant Departments the Audit Plan of the Bank while making sure that the development method enables the areas of risk to be properly detected and covered.

- follows up the implementation of the Audit Plan and proposes adjustments if necessary.

- reviews the work done by Periodic and Permanent Control:

- reports to the Board of Directors on any anomalies and gives its opinion of the relevance of the corrective measures chosen by the Bank's Management,

- monitors the implementation, according to the deadlines set, of the critical periodic control recommendations as well as the solving of the critical points identified,

Report of the Directors cont'd

- informs the Board of Directors of any discrepancies in the critical and priority corrective measures (failures exposing the entity to a high risk).
- reviews the procedures and the functioning of the anti-money laundering and terrorism financing systems, and the compliance risk control.
- submits to the Board of Directors the measures likely to improve, where applicable, the security of operations, and monitors the implementation of the selected measures.
- is generally informed by Management of any event occurring in the operation of the Bank which is likely to adversely affect its control of risks.

The list of issues to be addressed at the Audit and Accounts Committee meetings are formalised in the Audit and Accounts Committee File; comprising Periodic Control Reports; Permanent Control Reports, Compliance Reports, Anti Money Laundering and Combatting Financing of Terrorism; Internal Audit Reports to the Audit and Accounts Committee and discussed according to the Agenda.

Nomination and compensation committee
In line with its Corporate Governance principles the Board of Directors has a Nomination and Compensation committee made up of the following directors:

Teresa Ntim	-	Chairman
Laurette K Otchere	-	Member
Kofi Ampim	-	Member
Mr. Joseph Torku	-	Member
Michel Miaille	-	Member
Hakim Ouzzani	-	Member

The following are the elements that may come under its scope and authority: -

- The Bank's general wage policy
- The detailed salaries of the Bank's senior executives and Key Management Personnel
- Changes in social liabilities and Health Insurance for Staff
- Administrators and Company Managers pay.

The Nomination & Compensation Committee does not however have authority to make decisions on these issues and has a purely advisory capacity; therefore, it may only formulate opinions and recommendations to the Board of Directors.

Compliance with securities and exchange commission regulations
The Bank has complied with the regulations of the Securities and Exchange Commission (L.I. 1728 Regulation 61) and has submitted to the Commission as requested, two (2) reports of the Audit and Accounts Committee for the year 2019. The Audit Committee held three meetings during the year under review. In fulfilment of the Securities and Exchange Commission requirements, we present a summary of the reports so submitted:

- Report on the Credit Risk, Operational Risk, and Market Risk Activities
- Report on Structural Risks and Statutory Ratios
- Report on Bank of Ghana's Prudential Ratios
- Report on an overview of the Audit Department and its functions
- Report on Compliance Monitoring, Anti Money Laundering and Permanent Supervision ensuring continuous monitoring of operational activities.
- Report on Counterparty Risks
- Report on Changes in Organisational Structure
- Report on Business Continuity Plan
- Audit Reports on Branches submitted
- Report on Managing Conflict of Interest within the Bank

The External Auditors submitted their audit plan for the year and concluded that the audit approach will be risk based and control focused and that the audit will be in accordance with International Standards on Auditing.

BY ORDER OF THE BOARD

....	....
Kofi Ampim (Chairman)	**Hakim Ouzzani** (Managing Director)
5 March 2020	5 March 2020

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing financial statements for each financial period, which give a true and fair view of the state of affairs of the bank at the end of the period and of the profit or loss of the bank for that period. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgments and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed subject to any material departures, disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business

The Directors are responsible for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act, 2019 (Act 992) and the Bank and Specialized Deposit Taking Institutions Act, 2016 (Act 930) and International Financial Reporting Standards. They are responsible for safeguarding the assets of the bank and hence for taking steps for the prevention and detection of fraud and other irregularities.

The above statement should be read in conjunction with the statement of the auditors' responsibilities on page 34, which is made with a view to distinguishing, for shareholders, the respective responsibilities of the Directors and the Auditors in relation to the financial statements.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF SOCIETE GENERALE GHANA LIMITED

Building a better working world

Ernst & Young Chartered Accountants
G15, White Avenue
P. O. Box KA 16009,
Airport Accra, Ghana

Tel: +233 302 779868 / 4275 / 9223 / 2091
Fax: +233 302 778894 / 2934
ey.com

Report on the audit of the financial statements

Opinion
We have audited the financial statements of Societe Generale Ghana Limited (the Bank) set out on pages 38 to 93, which comprise the statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2019, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialized 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and other independence requirements applicable to performing audits of Societe Generale Ghana Limited. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code, and in accordance with other ethical requirements applicable to performing the audit of Societe Generale Ghana Limited. 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. For the matter below, we have provided our description of how our audit addressed the matter as provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The result of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial statements.

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Independent Auditor's Report cont'd

Key audit matter	How the matter was addressed in the audit
Allowance for expected credit losses on loans and advances to customers	
IFRS 9 introduced a forward-looking Expected Credit Loss (ECL) model. The ECL model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECL's recognized as a loss allowance or provision depends on the extent of credit deterioration since the initial recognition and recognition of impairment could be done on a 12-month expected credit losses or Lifetime expected credit losses. Impairment computations under IFRS 9 therefore involves the use of models that takes into account: • The probability-weighted outcome. • Reasonable and supportable information that is available without undue cost or Loan loss provision is a key area of judgement for management. Significant judgements in the determination of the Bank's Expected Credit Loss includes: • Use of assumptions in determining ECL modelling parameters. • portfolio segmentation for ECL computation • Determination of a significant increase credit risk and • Determination of associations between macroeconomic scenarios. The use of different models and assumptions can significantly affect the level of allowance for expected credit losses on loans and advances to customers. Due to the significance of such loans which account for about 60% of total assets of the bank, and the significant use of judgements, the assessment of the allowance for expected credit losses is a key audit matter.The information on expected credit losses on loans and advances to customers is provided in Note19e ''Analysis of impairment allowances'' of the financial statements.	We have obtained an understanding of the Bank's implementation process of IFRS 9, including understanding of the changes to the Bank's IT systems, processes and controls. Additionally, we obtained an understanding of the credit risk modelling methodology. We validated and tested the ECL model of the Bank by assessing the data integrity and the internal controls around the model. We have also performed, among others, the following substantive audit procedures: • Reviewed the accounting policies and framework methodology developed by the Bank in order to assess its compliance with IFRS 9; • Verified sampled underlying contracts of financial assets to determine the appropriateness of management's classification and measurement of these instruments in the ECL model • Reviewed and tested the methodology developed to calculate loan loss provision under IFRS 9, concentrating on aspects such as factors for determining a 'significant increase in credit risk', staging of loans, testing specific models related to Probability of Default (PD), Loss Given Default (LGD), Exposure at Default (EAD) • Tested the accuracy and completeness of data used in modelling the risk parameter, Recalculating the ECL, • Reviewed forward looking information / multiple economic scenario elements • For stage 3 exposures, we tested the reasonableness of the assumptions underlying the impairment identification and quantification including forecasts of future cash flows, valuation of underlying collateral, estimated period of realisation for collaterals, etc. • We have also analysed information relating to the allowance for expected credit losses on loans and advances to customers disclosed in the notes to the financial statements of the Bank.

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Independent Auditor's Report cont'd

Other information
The directors are responsible for the other information. The other information comprises corporate information (Directors, Officials and Registered Office), report of the Directors and statement of directors' responsibilities. 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 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 International Financial Reporting Standards and the requirements of the Companies Act, 2019 (Act 992) and the Banks and Specialized 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 relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Bank or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting processes.

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

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

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

- Obtain an understanding of internal controls 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Bank's audit. We remain solely responsible for our audit opinion.

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Notes to the Financial Statements cont'd

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

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

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

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

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- In our opinion, proper books of account have been kept by the Bank, so far as appears from our examination of those books;
- Proper returns adequate for the purpose of our audit have been received from branches not visited by us; and
- The statement of financial position and the statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.
- In our opinion, to the best of our information and according to the explanations given to us, the accounts give the information required under the Act, in the manner so required and give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss for the financial year then ended.
- We are independent of the Bank pursuant to section 143 of the companies Act, 2019 (Act 992).

The Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930) under section 85(2) requires that we report on certain matters. Accordingly, we state that:

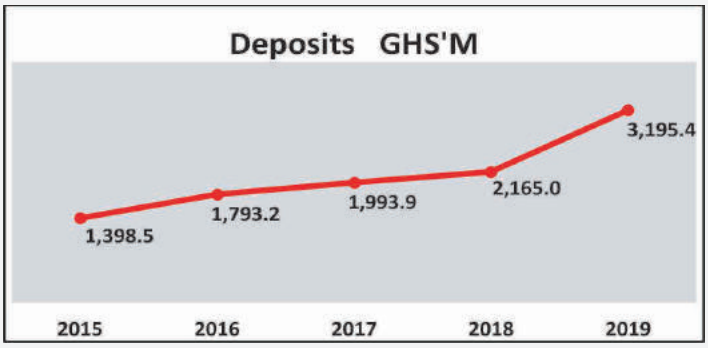
- The accounts give a true and fair view of the statement of affairs of the bank and the results of operations for the year under review;
- We were able to obtain all the information and explanations required for the efficient performance of our duties;
- The transactions of the bank are generally within the powers of the bank;
- The bank has generally complied with the provisions of the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930).
- The bank has generally complied with the provisions of the Anti-Money Laundering Act, 2008 (Act 749), the Anti-Terrorism Act, 2008 (Act 762) and regulations made under these enactments;

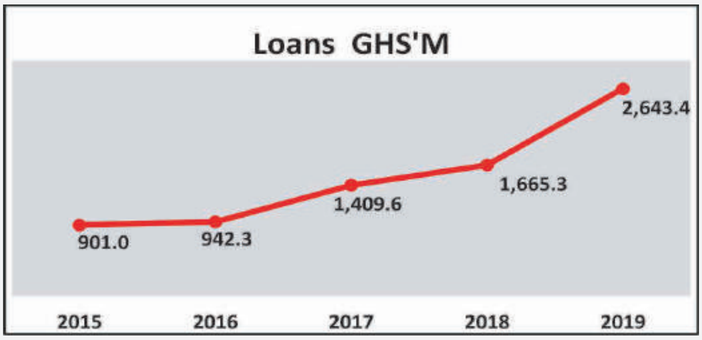
The engagement partner on the audit resulting in this independent auditor's report is Pamela Des Bordes (ICAG/P/1329).

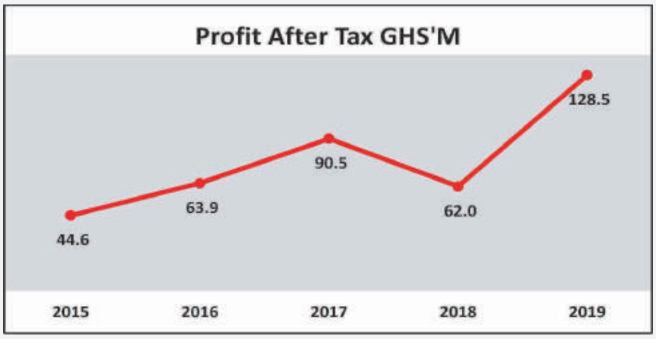
Ernst & Young

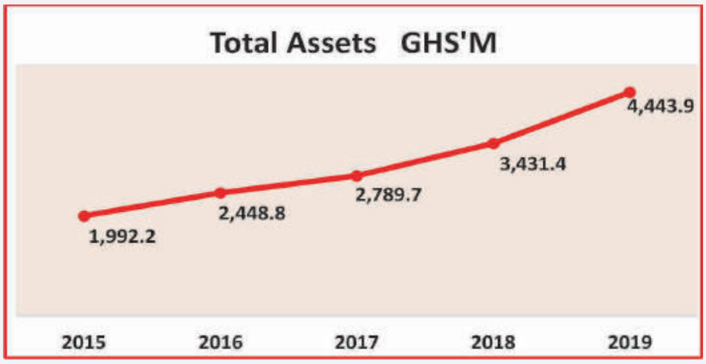
....
Ernst & Young (ICAG/F/2020/126)
Chartered Accountants
Accra, Ghana
5 March 2020

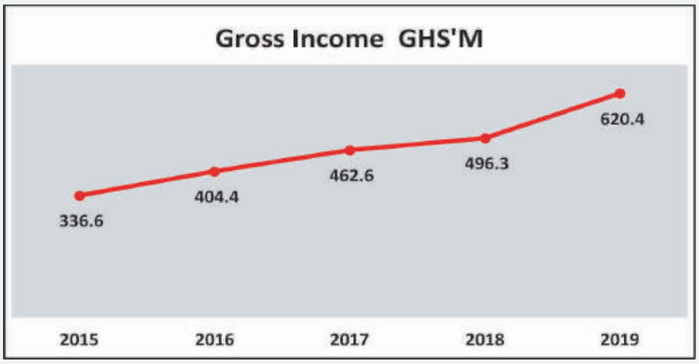
FINANCIAL HIGHLIGHTS

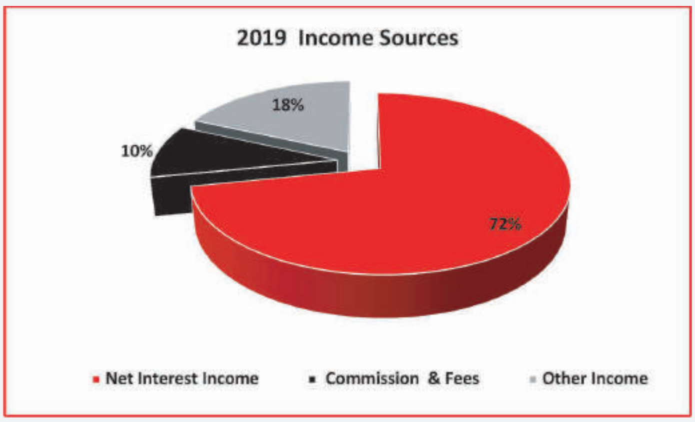


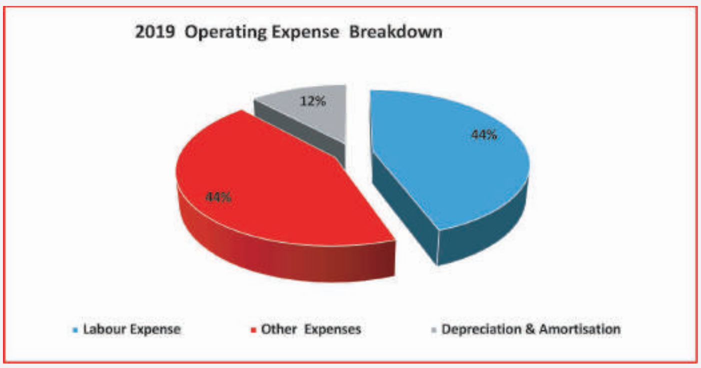












THE FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 GH¢	2018 GH¢
Interest income	5	454,048,757	353,752,858
Interest expense	6	(88,235,057)	(75,944,346)
Net interest income		**365,813,700**	**277,808,512**
Fees & commission income	7	73,196,874	71,556,947
Fees & commission expense	8	(23,154,024)	(18,461,504)
Net fees and commission income		**50,042,850**	53,095,443
Net trading revenue	9a	34,516,774	28,522,781
Net income from other financial instruments carried at fair value	9b	39,746,459	31,636,086
Other operating income	10	18,936,473	10,783,223
Total other operating income		**93,199,706**	**70,942,090**
Operating income		**509,056,256**	**401,846,045**
Net impairment loss on financial assets	11	(54,922,666)	(57,889,365)
Personnel expense	12	(123,237,364)	(117,868,602)
Depreciation and amortization	21a	(33,180,681)	(22,756,223)
Other expenses	13	(121,024,195)	(98,119,899)
Profit before income tax		176,691,350	105,211,956
Income tax expenses	14	(48,149,164)	(43,239,671)
Profit after tax expense		**128,542,186**	**61,972,285**
Other comprehensive income, net of income tax		-	-
Total comprehensive income for the period		**128,542,186**	**61,972,285**
Earnings per share:			
Basic earnings per share (GH¢)	15	**0.18**	0.11
Diluted earnings per share (GH¢)	15	**0.18**	0.11

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

	Note	2019 GH¢	2018 GH¢
Assets			
Cash and cash equivalents	16	1,295,640,731	641,836,054
Non-pledged trading assets	17	57,523,936	75,718,494
Investment securities	20	83,104,992	691,417,274
Loans and advances to customers	19	2,643,394,001	1,665,284,201
Equity investments	18	8,862,900	2,807,042
Derivative financial assets	25	-	5,380,060
Current tax assets	23	-	1,882,766
Other assets	24	62,514,235	55,447,404
Property, plant and equipment	21	290,868,619	289,214,114
Intangible assets	22	1,728,565	2,368,983
Deferred tax assets	14b	271,230	-
Total assets		**4,443,909,209**	**3,431,356,392**
Liabilities			
Deposits from banks	27	25,675,390	3,667,371
Deposits from customers	27	3,169,705,971	2,161,382,598
Borrowings	26	177,695,977	349,613,405
Current tax liabilities	23	35,751,330	-
Other liabilities	28	233,119,110	180,059,498
Deferred tax liabilities	14b	-	34,848,620
Total liabilities		**3,641,947,778**	**2,729,571,492**
Shareholders' fund			
Stated capital	29	404,245,427	404,245,427
Income surplus	40c	66,161,749	30,256,311
Revaluation reserve	40d	123,670,260	123,670,260
Statutory reserve	40e	207,883,995	143,612,902
Total shareholders' fund		**801,961,431**	**701,784,900**
Total liabilities and shareholders' fund		**4,443,909,209**	**3,431,356,392**

The accompanying notes form an integral part of these financial statements.

Approved by the Board on 19th February 2020 and signed on its behalf as follows:

Kofi Ampim (Chairman)

5 March 2020

Hakim Ouzzani (Managing Director)

5 March 2020

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2019

	Stated capital GH¢	Income surplus GH¢	Revaluation reserve GH¢	Statutory reserve GH¢	Other reserves GH¢	Total shareholders' funds GH¢
For the year ended 31 December 2019						
Balance as at 1 January 2019	404,245,427	30,256,311	123,670,260	143,612,902	-	701,784,900
Movements during the Year:						
Profit for the period	-	128,542,186	-	-	-	128,542,186
Other movements in equity:						
Dividend	-	(28,365,655)	-	-	-	(28,365,655)
Transfer to statutory reserve	-	(64,271,093)	-	64,271,093	-	-
Balance as at 31 December 2019	**404,245,427**	**66,161,749**	**123,670,260**	**207,883,995**	**-**	**801,961,431**

For the year ended 31 December 2018	Stated capital GH¢	Income surplus GH¢	Revaluation reserve GH¢	Statutory reserve GH¢	Other reserves GH¢	Total shareholders' funds GH¢
Balance as at 1 January 2018	138,302,925	142,772,417	123,670,260	112,626,759	1,480,662	518,853,023
Less: IFRS 9 first time application impact	-	(36,980,301)	-	-	(1,480,662)	(38,460,963)
Balance after IFRS 9 first time application impact	138,302,925	105,792,116	123,670,260	112,626,759	-	480,392,060
Movements during the year:						
Profit for the period	-	61,972,285	-	-	-	61,972,285
Other movements in equity:						
Bonus issue	97,000,000	(97,000,000)	-	-	-	-
Expenses on bonus issue	-	(6,838,589)	-	-	-	(6,838,589)
Rights issue	168,942,502	-	-	-	-	168,942,502
Expenses on right issue	-	(2,683,358)	-	-	-	(2,683,358)
Transfer to statutory reserve	-	(30,986,143)	-	30,986,143	-	-
Balance as at 31 December 2018	**404,245,427**	**30,256,311**	**123,670,260**	**143,612,902**	**-**	**701,784,900**

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 GH¢	2018 GH¢
Cash flow from operating activities			
Operating profit before taxation		176,691,350	105,211,956
Adjustments for:			
Depreciation and amortization	21	33,180,681	22,756,223
Unrealized gain on forex and revaluations		(16,534,922)	(7,036,905)
Profit on sales of property, plant and equipment	10	(623,961)	26,748
Operating profit before working capital changes		**192,713,148**	**120,958,022**
Changes in operating and other assets and liabilities			
Change in non-pledged trading assets		18,194,558	(1,584,630)
Change in loans and advances to customers	19	(992,777,583)	(292,712,985)
Change in other assets	24	(5,830,901)	(24,339,268)
Change in derivative financial assets	25	5,380,060	(5,380,060)
Change in deposit from banks	27	22,008,019	(1,929,192)
Change in deposit from customers	27	1,008,323,373	173,083,853
Change in other liabilities	28	54,709,124	47,081,778
		110,006,650	**(105,780,504)**
Income tax paid	23a & 23b	**(45,634,918)**	**(49,611,957)**
Net cash generated from /(used in) operating activities		**257,084,880**	**(34,434,439)**
Cash flow from investing activities			
Change in investment securities	20	608,312,282	(459,359,549)
Equity investments	18	(5,320,622)	(287,897)
Purchase of property, plant and equipment	21b	(22,115,558)	(31,433,371)
Purchase of intangible assets	22	(432,411)	(1,821,634)
Proceeds from sale of property, plant and equipment		762,100	77,254
Net cash generated/(used in) from investing activities		**581,205,791**	**(492,825,197)**
Cash flow from financing activities			
Repayment of borrowings	26	(171,917,428)	-
Proceeds from borrowings	26	-	245,428,851
Dividend paid	31	(28,365,655)	-
Bonus issue - witholding tax and expenses		-	(6,838,589)
Rights issue		-	168,942,502
Rights issue expenses		-	(2,683,358)
Net cash (used in)/generated from financing activities		**(200,283,083)**	**404,849,406**
Change in cash and cash equivalents		638,007,588	**(122,410,229)**
Net foreign exchange difference		15,797,088	**6,494,685**
Cash & cash equivalents as at 1 January		641,836,055	**757,751,599**
Cash and cash equivalents as at 31 December 2019	16	**1,295,640,731**	**641,836,055**
Operational cash flows from interest:			
Interest received		**437,858,960**	**253,759,365**
Interest paid		**85,814,071**	**72,513,129**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Reporting entity

Societe Generale Ghana Limited (the Bank) is a limited liability company incorporated in Ghana under the Companies Act, 2019 (Act 992). The Bank is domiciled in Ghana with its registered office at 2nd Crescent, Royalt Castle Road, Ring Road Central, Accra. The Bank is authorized and licensed to carry out the business of banking and provides retail banking, corporate banking, investment banking and other financial intermediation activities and specialized financing activities such as leasing and consumer credits through its network of branches and outlets including divisions across Ghana.

The principal activities of the Bank are described in the Directors' Report. Societe Generale (Group), a bank incorporated in France, is the ultimate parent of the Bank.

The Bank is listed on the Ghana Stock Exchange (GSE). This has enabled the equity shares of the Bank to be traded publicly on the GSE.

1.1 Authorization for publication

The financial statements of the Bank for the year ended 31 December 2019 were authorized for issue in accordance with a resolution of the board of directors on 19 February 2020.

2 Basis of preparation

2.1 Statement of compliance

These financial statements of the Bank have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and accounting requirements as dictated by the guide for financial publication 2017 issued by the Bank of Ghana. Except as otherwise specified by the guide for financial publication, the financial statements were prepared in accordance with IFRS.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following material items that are measured at fair value in the Statement of Financial Position:

- Financial assets and liabilities held-for-trading
- Derivative financial instruments
- Equity investments

2.3 Functional and presentation currency

The financial statements are presented in Ghana Cedis [GH¢], which is the functional and presentational currency of the Bank.

2.4 Presentation of financial statements

The Bank presents its statement of financial position in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date and more than 12 months after the date is presented in note 37.

2.5 Accounting policies

The accounting policies adapted by the bank are consistent with those of the previous financial year except for leases which were previously treated under IAS 17 but are now reported per IFRS 16. As a result, an amount of GH¢ 11,784,937 was reclassified from Prepayments(under other assets) to Right Of Use Assets (under Property, plant and Equipment). Also an amount of GH¢ 184,159,794 was transferred at cost from Land & Buildings (under Property, plant and Equipment) to Right of Use Asset at a net book value GH¢ 179,141,921 . Details are presented in Note 21b.

2.6 Foreign currency transactions

Transactions denominated in foreign currencies are recorded in the functional currency using the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the reporting date.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions are recognized in profit or loss under the heading "trading revenue". Foreign exchange gains and losses resulting from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss under the heading "other operating income''.

The effect of exchange rate changes on cash and cash equivalents held or due in a foreign currency is reported in the statement of cash flow as part of the reconciliation of cash and cash equivalents at the beginning and end of the period. This amount is presented separately from cash flows from operating, investing and financing activities and includes the differences, if any, had those cash flows been reported at end of period exchange rates.

2.7 Segmental reporting

IFRS 8 requires the identification of operating segments to be on the basis of internal reports that are reviewed by an entity's Chief Operating Decision Maker (CODM) to allocate resources to the segment and assess its performance.

Notes to the Financial Statements cont'd

2.7 IFRS 8 requires entities whose shares or debts are traded publicly to produce segmental report.

Societe Generale Ghana Limited is managed on a basis that takes account of the different business lines that dominate the operating activities of the Bank. Major business lines of the Bank are:

a. Retail banking

b. Corporate banking

c. Treasury

The banking activities of the Bank have been segmented into various business lines. The profitability of these business lines is assessed based on the profit or loss statement produced. These are illustrated in Note 39.

2.8 Property, plant and equipment

The Bank recognizes an item of property, plant and equipment as an asset when it is probable that future economic benefits will flow to it and the cost of the item can be measured reliably.

Land and buildings held for use in the provision of services, or for administrative purposes, are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

Any revaluation increase arising on the revaluation of such land and buildings is recognised in other comprehensive income and accumulated in equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognised in profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Properties in the course of construction for provision of services or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the bank's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation on revalued buildings is recognised in profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The current annual depreciation rates for each class of property, plant and equipment are as follows:

Buildings	3.0%
Furniture and equipment	20.0%
Computer	33.3%
Household furniture	25.0%
Motor vehicles	33.3%
Leasehold land are amortized over leased period	
Right of use assets are amortised over the shorter of the lease term and the asset's useful life.	
Freehold land are not depreciated	

Costs associated with routine servicing and maintenance of assets are expensed as incurred. Subsequent expenditure is only capitalized if it is probable that future economic benefits associated with the item will flow to the Bank.

The carrying values of property and equipment are reviewed for indications of impairment annually, or when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

Notes to the Financial Statements cont'd

The recoverable amount of property and equipment is the greater of fair value less costs to sell and value in use. 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.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognizing of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year the item is derecognized.

Residual values, useful lives and methods of depreciation for property and equipment are reviewed, and adjusted if appropriate, at each reporting date.

Residual values, useful lives and methods of depreciation for property and equipment are reviewed, and adjusted if appropriate, at each reporting date.

The new standard IFRS 16 Accounting for leases, which became effective on 1 January 2019, has been adopted by the bank. This standard replaces IAS 17, which was governing both operating and finance lease

IFRS 16 defines lease as a contact that conveys the right to use an asset (underlying asset) for a period in exchange for a consideration. Under the new standard, Lessees are no longer required to distinguish between finance and operating leases. Instead, they are to recognize a right of use asset and a corresponding lease liability at the inception of the lease and subsequently depreciate the asset over the lease term.

2.9 Intangible assets: computer software

Costs incurred to acquire and bring to use specific computer software licenses are capitalized. Following initial recognition, intangible assets are carried at cost less accumulated amortization and any impairment losses. The amortization period and method for an intangible asset, in this case computer software, are reviewed at least at each reporting date. Changes in the expected useful life of the asset are accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization expense on the intangible assets is recognized in profit or loss in the expense category consistent with the function of the intangible asset. Amortisation is calculated using the straight line method on the basis of the expected useful lives of the assets which range between 3 and 5 years.

The carrying values of intangible assets are reviewed for indications of impairment annually or when events or changes in circumstances indicate that the carrying value may not be recoverable.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of intangible assets is the greater of fair value less costs to sell and value in use. 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.

Gains or losses arising from de- recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

2.10 Provisions

The Bank recognizes provisions when it has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Bank expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

The expense relating to any provision is presented in profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

2.11 Employee benefits

The Bank contributes to a three-tier defined contribution scheme on behalf of employees. The tier one and two are mandatory. The Bank contributions 10% towards the voluntary tier three plan.

2.12 Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured. The following specific recognition criteria are met before revenue is recognized:

Notes to the Financial Statements cont'd

a. Interest income

Under IFRS 9 , interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and financial instruments designated at FVPL. Interest income on interest bearing financial assets measured at FVOCI, are also recorded by using the EIR method. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Bank recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the statement of financial position with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest and similar income in the statement of profit or loss.

The Bank calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Bank calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Bank reverts to calculating interest income on a gross basis.

For purchased or originated credit-impaired (POCI) financial assets the Bank calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets.

Interest income on all trading assets and financial assets mandatorily required to be measured at FVPL is recognised using the contractual interest rate in net trading income and Net gains/(losses) on financial assets at fair value through profit or loss, respectively.

b. Commissions and fees

Commission and fees revenues and expenses that are integral part of financial instruments and are included in the measurement of the effective interest rate. They are spread over the period of the financial instruments. Commission and fees in respect of services are recognized in the profit or loss statement when the related services are performed. The Bank's revenue contracts do not typically include multiple performance obligations.

The Bank earns commission and fees from a diverse range of services provided to its customers. Fees revenue is accounted for as follows:

- Revenue is earned on execution of discrete act (such as funds transfers, special clearing and fees arising from negotiating transactions with third parties) is recognized as revenue when the act is completed.
- Income earned from the provision of services (such as request for special statements, safe custody, COTs and advisory services) is recognized as revenue as the services are provided.
- Fees which forms an integral part of the effective interest rate of a financial instrument (such as commitment and processing fees on loans) is recognized as an adjustment to the effective interest rate.

c. Other operating income

This is made up of other operating income including dividend, profit or loss on sale of property, plant and equipment, other miscellaneous incomes and translation gains or losses.

2.13 Interest expense

Interest expense is recognized in profit or loss for all interest-bearing financial instruments measured at amortized cost, including loans and advances, as interest accrues using the effective interest rate method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating the interest expense.

The effective interest rate is the rate that exactly discounts the estimated future cash payments over the expected life of the instrument or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

The effective interest rate is calculated on initial recognition of the financial liability, estimating the future cash flows after considering all the contractual terms of the instrument. The calculation includes fees paid by the Bank that are an integral part of the the acquisition, issue or disposal of a financial instrument .

Notes to the Financial Statements cont'd

2.14 Taxation

Income tax charged to the profit or loss account for the year comprises current tax and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or other comprehensive income, in which case it is recognized in shareholders' equity or other comprehensive income.

a. Current income tax

Current tax is the tax expected to be payable under the Income Tax Act, 2018 (Act 979) on the taxable profit for the year, calculated using the tax rates enacted or substantially enacted by the reporting date, and any adjustment to tax payable in respect of previous years. Current tax assets and liabilities are offset when the Bank intends to settle on net basis and the legal right to set off exists.

Current income tax relating to items recognized directly in equity or other comprehensive income is recognized in equity or other comprehensive income and not in profit or loss.

b. Deferred income tax

Deferred tax liabilities are recognized 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.

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- Where the deferred tax asset relating to the deductible temporary difference 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.

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized 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 utilized.

Deferred tax is calculated using the rate expected to apply in the period in which the assets will be realized or the liabilities settled. Deferred tax assets and liabilities are offset when they arise in the same tax reporting entities and relate to income taxes levied by the same taxation authority, and when a legal right to set off exists in the entity.

The carrying amount of deferred income 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 income tax asset to be utilized.

Deferred tax relating to items recognized directly in equity or other comprehensive income is recognized in equity or other comprehensive income and not in profit or loss.

c Value added tax-VAT

Revenues, expenses and assets are recognized net of the amount of VAT except:

- Where the value added tax incurred on a purchase of goods and services is not recoverable from the taxation authority, the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and receivables and payables are stated with the amount of value added tax included.

- The net amount of value added tax recoverable from, or payable to, the Ghana Revenue Authority is included as part of receivables or payables in the statement of financial position.

2.15 National stabilization levy

Under the National Fiscal Stabilization Levy Act, 2013 of Ghana, financial institutions and some large firms were required to pay a levy of 5% of their profit before tax towards fiscal stabilization with effect from July 2013. The Bank has complied with this statutory obligation.

2.16 Classification & measurement of financial assets and liabilities

Notes to the Financial Statements cont'd

2.16.1 Recognition and initial measurement

The Bank on the date of origination or purchase recognizes loans, debt and equity securities, deposits and subordinated debentures at the fair value of consideration paid. Regular-way purchases and sales of financial assets are recognized on the settlement date. All other financial assets and liabilities, including derivatives, are initially recognized on the trade date at which the Bank becomes a party to the contractual provisions of the instrument.

The initial measurement of a financial asset or liability is at fair value plus transaction costs that are directly attributable to its purchase or issuance. For instruments measured at fair value through profit or loss, transaction costs are recognized immediately in profit or loss.

Financial assets include both debt and equity instruments.

2.16.2 Debt instruments

Debt instruments, including loans and debt securities, are classified into one of the following measurement categories:

- Amortized cost;
- Fair value through other comprehensive income (FVOCI); or
- Fair value through profit or loss (FVTPL) for trading related assets

Classification of debt instruments is determined based on:

i. the business model under which the asset is held; and

ii. the contractual cash flow characteristics of the instrument

2.16.3 Business model assessment

Business model assessment involves determining whether financial assets are managed in order to generate cash flows from collection of contractual cash flows, selling financial assets or both. The Bank assesses business model at a portfolio level reflective of how groups of assets are managed together to achieve a particular business objective. For the assessment of business model the Bank takes into consideration the following factors:

- how the performance of assets in a portfolio is evaluated and reported to group heads and other key decision makers within the Bank's business lines;
- the risks that affect the performance of assets held within a business model and how those risks are managed;
- whether the assets held for trading purposes i.e., assets that the Bank acquires or incurs principally for the purpose of selling or repurchasing in the near term, or holds as part of a portfolio that is managed together for short-term profit or position taking;
- how compensation is determined for the Bank's business lines' management that manages the assets; and
- the frequency and volume of sales in prior periods and expectations about future sales activity.

2.16.4 Cash flow characteristics assessment

The contractual cash flow characteristics assessment involves assessing the contractual features of an instrument to determine if they give rise to cash flows that are consistent with a basic lending arrangement. Contractual cash flows are consistent with a basic lending arrangement if they represent cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

Principal is defined as the fair value of the instrument at initial recognition. Principal may change over the life of the instruments due to repayments.

Interest is defined as consideration for the time value of money and the credit risk associated with the principal amount outstanding and for other basic lending risks and costs (liquidity risk and administrative costs), as well as a profit margin.

In performing this assessment, the Bank takes into consideration contractual features that could change the amount or timing of contractual cash flows, such that the cash flows are no longer consistent with a basic lending arrangement. If the Bank identifies any contractual features that could modify the cash flows of the instrument such that they are no longer consistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL. Non pledged trading assets and derivative assets of the bank are measured under FVTPL whilst Loans and advances are measured under amortised cost based on their cashflow characteristics and business model.

Notes to the Financial Statements cont'd

2.16.5 Debt instruments measured at amortized cost

Debt instruments are measured at amortized cost if they are held within a business model whose objective is to hold for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. After initial measurement, debt instruments in this category are carried at amortized cost using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. Amortized cost is calculated taking into account any discount or premium on acquisition, transaction costs and fees that are an integral part of the effective interest rate. Investment securities are measured under amortised cost.

Impairment on debt instruments measured at amortized cost is calculated using the expected credit loss approach. Loans and debt securities measured at amortized cost are presented net of the allowance for credit losses in the statement of financial position.

2.16.6 Debt instruments measured at FVTPL

Debt instruments measured at FVTPL include assets held for trading purposes, assets held as part of a portfolio managed on a fair value basis and assets whose cash flows do not represent payments that are solely payments of principal and interest. These instruments are measured at fair value in the Statement of Financial Position, with transaction costs recognized immediately in the profit or loss statement as part of net income from other financial instruments carried at fair value. Realized and unrealized gains and losses are recognized as part of Non-interest income in the profit or loss statement. Non pledged trading assets and derivative assets of the bank are measured under FVTPL.

2.16.7 Equity instruments

Equity instruments are measured at FVTPL, unless an election is made to designate them at FVOCI upon purchase. For equity instruments measured at FVTPL, changes in fair value are recognized as part of Non-interest income in the profit or loss statement. An election has not been made to designate any of the equity instrument at FVOCI as such all equity instruments are measured at FVTPL in the current year.

The Bank can elect to classify non-trading equity instruments at FVOCI. This election will be used for certain equity investments for strategic or longer term investment purposes. The FVOCI election is made upon initial recognition, on an instrument-by-instrument basis and once made is irrevocable. Gains and losses on these instruments including when derecognized/sold are recorded in OCI and are not subsequently reclassified to the profit or loss. Dividends received are recorded in investment revenue in the Income Statement . Any transaction costs incurred upon purchase of the security are added to the cost basis of the security and are not reclassified to the profit or loss on sale of the security. Equity instruments at FVOCI are not subject to an impairment assessment. An election has not been made to designate any of the equity instrument at FVOCI as such all equity instruments are measured at FVTPL in the current year.

2.16.8 Financial liabilities

Financial liabilities are classified as non-trading, held for trading or designated as held at fair value through profit or loss. Non-trading liabilities are recorded at amortized cost applying the effective interest method. Held for trading liabilities or liabilities designated as held at fair value through profit or loss, are accounted for as indicated above. A financial liability (trading or other) is removed from the balance sheet when it is extinguished – that is, when the obligation is discharged, cancelled or expired. The condition is met when the liability is settled by paying the creditor, or when the debtor is released from primary responsibility for the liability either by process of law or by the creditor. A gain or loss on extinguishment of a financial liability is recognised in the profit or loss statement. Any net cash flow in relation to the restructuring of financial liabilities is an adjustment to the debt's carrying amount and is amortised over the remaining life of the liability.

2.16.9 Impairment

a. Scope

The Bank applies a three-stage approach to measure allowance for credit losses, using an expected credit loss approach as required under IFRS 9, for the following categories of financial instruments that are not measured at fair value through profit or loss:

- Amortized cost financial assets;
- Off-balance sheet loan commitments;
- Financial guarantee contracts.

b. Expected credit loss impairment model

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

Notes to the Financial Statements cont'd

This impairment model measures credit loss allowances using a three-stage approach based on the extent of credit deterioration since origination:

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

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

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

c. Measurement of expected credit loss

The probability of default (PD), exposure at default (EAD), and loss given default (LGD) inputs used to estimate expected credit losses are modelled based on macroeconomic variables that are most closely related with credit losses in the relevant portfolio. The bank's portfolios have been segmented to ensure that they are consistent in terms of risk characteristics and to ensure better correlation with local macroeconomic variables. This segmentation factors in all specific characteristics associated with the bank's activities.

Details of these statistical parameters/inputs are as follows:

- **PD** – The probability of default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the remaining estimated life, if the facility has not been previously derecognized and is still in the portfolio.

- **EAD** – The exposure at default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

- **LGD** – The loss given default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD.

d. Forward-looking information

The measurement of expected credit losses for each stage and the assessment of significant increases in credit risk considers information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information requires significant judgement.

e. Macroeconomic factors

In its models, the Bank relies on a broad range of forward looking information as economic inputs, such as: GDP growth, inflation rates and central bank base rates. The inputs and models used for calculating expected credit losses may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays may be made as temporary adjustments using expert credit judgement.

The Bank determines allowance for credit losses using three probability-weighted forward-looking scenarios. The Bank considers both internal and external sources of information in order to achieve an unbiased measure of the scenarios used. The forecasts are created using internal and external models/data which are then modified to reflect future direction of relevant economic variables as well as a representative range of other possible forecast scenarios.

The most likely outcome is aligned with information used by the Bank for other purposes such as strategic planning and budgeting. The Bank has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables, credit risk and credit losses.

f. Assessment of significant increase in credit risk (SIR)

At each reporting date, the Bank assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The assessment considers borrower-specific quantitative and qualitative information without consideration of collateral, and the impact of forward-looking macroeconomic factors.

Notes to the Financial Statements cont'd

The common assessments for SIR on retail and non-retail portfolios include macroeconomic outlook, management judgement, delinquency and monitoring. Forward looking macroeconomic factors are a key component of the macroeconomic outlook. The importance and relevance of each specific macroeconomic factor depends on the type of product, characteristics of the financial instruments and the borrower . Quantitative models may not always be able to capture all reasonable and supportable information that may indicate a significant increase in credit risk. Qualitative factors may be assessed to supplement the gap. Examples of situations include changes in adjudication criteria for a particular group of borrowers; changes in portfolio composition and natural disasters impacting certain portfolios. With regards to delinquency and monitoring, there is a rebuttable presumption that the credit risk of the financial instrument has increased since initial recognition when contractual payments are more than 30 days overdue.

Retail portfolio – For retail exposures, a significant increase in credit risk cannot be assessed using forward looking information at an individual account level. Therefore, the assessment must be done at the segment level. Segment migration thresholds exist for each PD model by product which considers the proportionate change in PD as well as the absolute change in PD. The thresholds used for PD migration are reviewed and assessed at least annually, unless there is a significant change in credit risk management practices in which case the review is brought forward.

Non-retail portfolio – The Bank uses a risk rating scale (IG codes) for its non-retail exposures. All non-retail exposures have an IG code assigned that reflects the probability of default of the borrower. Both borrower specific and non-borrower specific (i.e macroeconomic) forward looking information is considered and reflected in the IG rating. Significant increase in credit risk is evaluated based on the migration of the exposures among IG codes.

g. Expected life

When measuring expected credit loss, the Bank considers the maximum contractual period over which the Bank is exposed to credit risk. All contractual terms are considered when determining the expected life, including prepayment, and extension and rollover options. For certain revolving credit facilities,the expected life is estimated based on the period over which the Bank is exposed to credit risk and how the credit losses are mitigated by management actions.

Presentation of allowance for credit losses in the statement of financial position

- Financial assets measured at amortized cost: as a deduction from the gross carrying amount of the financial assets;
- Debt instruments measured at fair value through other comprehensive income: no allowance is recognized in the Statement of Financial Position because the carrying value of these assets is their fair value. However, the allowance determined is presented in the accumulated other comprehensive income;
- Off-balance sheet credit risks include undrawn lending commitments, letters of credit and letters of guarantee: as a provision in other liabilities.

h. Modified financial assets

If the terms of a financial asset are modified or an existing financial asset is replaced with a new one, an assessment is made to determine if the financial asset should be derecognized. Where the modification does not result in derecognition, the date of origination continues to be used to determine SIR. Where modification results in derecognition, the modified financial asset is considered to be a new asset.

i. Definition of default

The Bank considers a financial instrument to be in default as a result of one or more loss events that occurred after the date of initial recognition of the instrument and the loss event has a negative impact on the estimated future cash flows of the instrument that can be reliably estimated. This includes events that indicate:

- significant financial difficulty of the borrower;
- default or delinquency in interest or principal payments;
- high probability of the borrower entering a phase of bankruptcy or a financial reorganization;
- measurable decrease in the estimated future cash flows from the loan or the underlying assets that back the loan.

  The Bank considers that default has occurred and classifies the financial asset as impaired when it is more than 90 days past due unless reasonable and supportable information demonstrates that a more lagging default criterion is appropriate.

Notes to the Financial Statements cont'd

j. **Write-off policy**

The Bank writes off an impaired financial asset (and the related impairment allowance), either partially or in full, when there is no realistic prospect of recovery. Where financial assets are secured, write-off is generally after receipt of any proceeds from the realization of security. In circumstances where the net realizable value of any collateral has been determined and there is no reasonable expectation of further recovery, write-off may be earlier. Credit card receivables 180 days past due, are written-off. In subsequent periods, any recoveries of amounts previously written off are credited to the provision for credit losses in the profit or loss statement.

k. **Restructured Credit**

Loans issued by the Bank may be subject to restructuring with the aim of securing the collection of the principal and interest by adjusting the contractual terms of the loan (e.g. reduced interest rate, rescheduled loan payments, partial debt forgiveness or additional collateral). Assets may only qualify for restructuring where the borrower is experiencing financial difficulties or insolvency (whether the borrower has already become insolvent or is certain to become insolvent if the loan is not restructured).

Where they still pass the SPPI test, restructured loans are still recorded in the balance sheet and their amortised cost prior to impairment is adjusted for a discount representing the negative difference between the present value of the new contractual cash flows resulting from the restructuring of the loan and the amortised cost prior to impairment less any partial debt forgiveness. This discount, representing earnings foregone, is booked to Cost of risk in the income statement. As a result, the associated interest income is still subsequently recognised at the initial effective interest rate of the loans. Post-restructuring, these assets are systematically classified in Stage 3 for impairment (credit-impaired exposures), as the borrowers are deemed to be in default. Stage 3 classification is maintained for at least one year, or longer if the Bank is uncertain that the borrowers will be able to meet their commitments. Once the loan is no longer classified in stage 3, the assessment of the significant increase of credit risk will be performed by comparing the credit risk level at the closing date and the level at the initial recognition date of the loan before restructuring.

l. **Repossed properties /collaterals**

In its normal course of business, the Bank does not physically repossess properties or other assets in its loan portfolio, but engages external agents to recover funds, generally at auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, the properties under legal repossession processes are not recorded on the balance sheet.

2.17 Regulatory credit reserve

Regulatory credit reserve cater for any excess of Bank of Ghana's credit loss provision requirements over loans and advances impairments based on IFRS principles. A transfer is made from the income surplus (distributable reserves) to a non- distributable reserves in the statement of changes in equity, being the Regulatory Credit Reserve.

The non-distributable Regulatory Credit Reserve ensures that minimum regulatory provisioning requirements as established by the Bank of Ghana are maintained.

2.18 Dividend

Dividends declared are treated as an appropriation of profit in the year of approval while dividends proposed are disclosed as a note to the financial statements.

2.19 Cash and cash equivalents

For the purposes of the statement of cash flow, cash and cash equivalents comprise cash on hand, cash and balances with the Central bank of Ghana and amounts due from banks and other financial institutions.

2.20 Borrowing

Borrowings by the Bank are initially recognized at fair value and there after stated at amortized cost. Associated net transaction costs of borrowings are recognized in profit or loss over the maturity period of the borrowings.

2.21 Repurchase and reverse repurchase agreements

Securities sold under agreements to repurchase at a specified future date are not derecognized in the statement of financial position as the Bank retains substantially all of the risks and rewards of ownership. The corresponding cash received is recognized in the statement of financial position as an asset with corresponding obligation to return it, including accrued interest as a liability within Cash collateral on securities lent and repurchase agreements, reflecting the transaction's economic substance as a loan to the Bank. The difference between the sale and repurchase prices is treated as interest expense and is accrued over the life of agreement using the Effective Interest Rate (EIR). When the counterparty has the right to sell or re- pledge the securities, the Bank reclassifies those securities in its statement of financial position to Financial assets held for trading pledged as collateral or to Financial investments available-for- sale pledged as collateral, as appropriate.

Conversely, securities purchased under agreements to resell at a specified future date are not recognized in the statement of financial position. The consideration paid, including accrued interest, is recorded in the statement of financial position, within Cash collateral on securities borrowed and reverse repurchase agreements, reflecting the transaction's economic substance as a loan by the Bank. The difference between the purchase and resale prices is recorded in Net interest income and is accrued over the life of the agreement using the EIR.

Notes to the Financial Statements cont'd

If securities purchased under agreement to resell are subsequently sold to third parties, the obligation to return the securities is recorded as a short sale within Financial liabilities held for trading and measured at fair value with any gains or losses included in Net trading income.

2.22 Financial guarantees, letters of credit and undrawn loan commitments

Financial guarantees are initially recognised in the financial statements (within Provisions) at fair value, being the premium received. Subsequent to initial recognition, the Bank's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the income statement. The premium received is recognised in the income statement in Net fees and commission income on a straight line basis over the life of the guarantee.

Undrawn loan commitments and letters of credits are commitments under which, over the duration of the commitment, the Bank is required to provide a loan with pre-specified terms to the customer.

The nominal contractual value of financial guarantees, letters of credit and undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded in the statement of financial position. The nominal values of these instruments together with the corresponding ECLs are disclosed in Note 33.

2.23 Other assets

Other current assets is a default classification for assets which cannot be classified under any of the major assets classification on the face of the account, or are immaterial and need to be aggregated for presentation in a single line item in the balance sheet. Accounts included in the other current assets classification may includes inventory of consumables, prepayments and sundry debtors.

3.0 Significant Accounting Estimates, Assumptions & Judgments

The preparation of financial statements, in conformity with IFRS, requires management to make estimates, apply judgments and make assumptions that affect the reported amount of assets and liabilities at the date of the financial statements, and income and expenses during the reporting period. Estimates made by management are based on historical experience and other assumptions that are believed to be reasonable. Key areas where management has made difficult, complex or subjective judgments, often as a result of matters that are inherently uncertain, include those relating to the allowance for credit losses, the fair value of financial instruments (including derivatives), impairment of investment securities, impairment of non-financial assets and derecognition of financial assets and liabilities. While management makes its best estimates and assumptions, actual results could differ from these estimates and assumptions.

3.1 Going concern

The management of the Bank has made an assessment of the Bank's ability to continue as a going concern and is satisfied that the Bank has the required resources to continue in business for the foreseeable future.

Furthermore, the Bank's management is not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern. Consequently, the financial statements continue to be prepared on the going concern basis.

3.2 Deferred tax assets

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized based upon the likely timing and level of future taxable profits together with future tax planning strategies. Deferred tax is shown in Note 14b.

4.0 Application of new and revised international financial reporting standards (IFRSs)

4.1 Standards and interpretations in issue but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Bank's financial statements are disclosed below. The Bank intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

IFRS 17 insurance contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts, covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4). IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. IFRS 17 is effective for reporting periods beginning on or after 1 January 2021, with comparative figures required. This standard is not applicable to the Bank.

Notes to the Financial Statements cont'd

Amendments to IFRS 3: definition of a business
In October 2018, the IASB issued amendments to the definition of a business in IFRS 3 Business Combinations to help entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test. New illustrative examples were provided along with the amendments. Since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, the Bank will not be affected by these amendments on the date of transition.

Amendments to IAS 1 and IAS 8: definition of material
In October 2018, the IASB issued amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.' The amendments to the definition of material is not expected to have a significant impact on the Bank's consolidated financial statements.

		2019 GH¢	2018 GH¢
5.	**Interest income**		
	Placements	7,802,551	17,921,866
	Investments securities	28,290,757	34,771,751
	Loans & advances	417,955,449	301,059,241
		454,048,757	**353,752,858**
	Interest income recognition was based on the effective interest rate (EIR).		
6.	**Interest and similar expense**		
	Savings accounts	29,675,137	27,918,117
	Current accounts	417,706	457,325
	Term deposits	43,534,150	38,799,447
	Borrowings	14,608,064	8,769,457
		88,235,057	**75,944,346**
	Interest expense recognition was based on the effective interest rate (EIR).		
7.	**Fees and commission income**		
	Domestic operations	60,987,105	58,047,115
	Remittance	457,612	1,061,542
	Cards operations	11,752,158	12,448,290
		73,196,874	**71,556,947**

Notes to the Financial Statements cont'd

		2019 GH¢	2018 GH¢
8.	**Fees and commission expense**		
	Remittance	1,903,711	124,167
	Cards operations	19,441,674	16,318,180
	Cheque books	254,391	522,672
	Cash collection	1,554,248	1,496,485
		23,154,024	**18,461,504**
9a	**Net trading revenue**		
	Forex trading gains	181,113,417	158,014,344
	Forex trading losses	(146,596,643)	(129,491,563)
		34,516,774	**28,522,781**
9b	**Net income from other financial instruments carried at fair value**		
	Gain from swap	25,544,696	19,213,081
	Margin on bond trading	13,466,527	11,797,520
	Fair value on equity instruments	735,236	625,485
		39,746,459	**31,636,086**
10	**Other operating income**		
	Exchange gain	15,797,088	6,494,685
	Rent/hiring fees	60,426	48,336
	Postages	122,126	82,678
	Fees received - insurance	1,107,882	1,149,739
	Miscellaneous & others	1,848,951	3,007,785
		18,936,473	**10,783,223**
11	**Net impairment loss on financial assets**		
	Individual impairment	69,315,687	**64,082,378**
	Collective impairment	26,566,772	**5,390,287**
	Reversals - individual impairement	(33,905,000)	**(10,935,000)**
	Total impairment	61,977,459	**58,537,665**
	Recoveries	(7,054,793)	**(648,300)**
	Net impairment	**54,922,666**	**57,889,365**
11a	Cash and cash equivalents (note 16c)	11,845	**107,372**
	Loans & advances (note 19f)	63,615,125	**59,095,233**
	LCs & guarantees (off balance sheet liabilities) (note 33b)	(1,649,511)	**(664,940)**
	Total impairment	**61,977,459**	**58,537,665**

Notes to the Financial Statements cont'd

		2019 GH¢	2018 GH¢
12	**Personnel expenses**		
	Salaries, bonuses and staff allowances	98,413,512	84,688,439
	Social security fund contribution	6,087,391	5,521,079
	Provident fund contribution	4,654,799	4,228,759
	Medicals	4,487,858	4,646,839
	Insurance	565,616	489,779
	Termination expenses	-	5,815,850
	Training	592,785	1,075,739
	Other employee costs	5,038,858	6,965,119
	Directors emoluments (12a)	3,396,545	4,436,999
		123,237,364	**117,868,602**
12a	**Directors emoluments**		
	Directors salaries and allowances	2,086,712	3,543,870
	Directors expenses	894,767	432,649
	Directors fees	415,066	460,480
		3,396,545	**4,436,999**

The average number of persons employed by the Bank during the year was 575 (2018: 589).

The Bank contributes to a three-tier defined contribution plan. The employee pays 5.5% and the Bank pays 13% making a total of 18.5%. The Bank transfers 13.5% to the first tier , 5% to a privately managed and mandatory second tier for lump sum benefit. The third tier is a voluntary provident fund and personal pension scheme to which the Bank contributes 10% of staff basic salary.

		2019 GH¢	2018 GH¢
13	**Other operating expenses**		
	Donations	853,845	596,716
	Advertising and marketing	7,376,512	4,280,034
	Office expenses (note 13a)	42,155,303	45,899,682
	Administrative expenses	8,628,781	11,951,916
	General expenses (note 13b)	62,009,754	35,391,551
		121,024,195	**98,119,899**

Notes to the Financial Statements cont'd

		2019 GH¢	2018 GH¢
13a	**Office expenses**		
	Utilities	6,091,564	6,807,808
	Maintenance of computer software & hardware	14,520,249	15,953,013
	Network & communication	7,134,212	5,096,208
	Office & computer stationery	2,242,941	1,982,193
	Repairs to furniture & equipment	1,697,897	1,938,622
	Resource hiring	4,566,417	3,817,783
	Other office expenses	5,902,023	10,304,055
		42,155,303	**45,899,682**

		2019 GH¢	2018 GH¢
13b	**General expenses**		
	Professional fees and charges	4,057,213	3,434,757
	Repairs and rental of equipments	1,422,365	1,462,550
	IT and support services	49,513,442	29,706,683
	Other general expenses	7,016,734	787,561
		62,009,754	**35,391,551**

		2019 GH¢	2018 GH¢
13c	Statutory audit	**507,950**	**485,000**

Auditors' remuneration in relation to statutory audit amounted to GH¢ 507,950 (2018 : GH¢ 485,000).

		2019 GH¢	2018 GH¢
14	**Income tax expense**		
	Current tax (23a)	(74,434,446)	(40,760,839)
	Deferred tax (14b)	35,119,850	2,781,766
	National stabilization levy (14c)	(8,834,568)	(5,260,598)
	Charge to statement of profit or loss and other comprehensive income	**(48,149,164)**	**(43,239,671)**
14a	**Current & deferred tax**		
	Analysis of charge for the year		
	Current tax (23a)	(74,434,446)	(38,613,030)
	Deferred tax (14b)	35,119,850	2,781,766
		(39,314,596)	**(35,831,264)**

The current tax charge on the profit is based on Ghana's corporate tax rate of 25% (2018:25%).

Notes to the Financial Statements cont'd

		2019 GH¢	2018 GH¢
14b	**Deferred tax**		
	Balance as at 1 January	(34,848,620)	(38,123,927)
	Less: IFRS 9 first time application impact on AFS securities	-	493,541
	Balance after IFRS 9 first time application impact	**(34,848,620)**	**(37,630,386)**
	Tax expense recognised in profit or loss during the year	35,119,850	2,781,766
	Tax recognised in equity during the year	-	-
	Tax expense recognised in profit or loss during the year	**271,230**	**(34,848,620)**

Deferred tax assets and liabilities are attributable to the following:

	2019			2018		
	Assets	**Liabilities**	**Net**	Assets	Liabilities	Net
	GH¢	**GH¢**	**GH¢**	GH¢	GH¢	GH¢
Property, plant and equipment		(41,223,420)	(41,223,420)		(41,223,420)	(41,223,420)
Provisions and contingencies	41,494,650	-	41,494,650	6,374,800	-	6,374,800
		-	-			
Net tax liabilities/(assets)	**41,494,650**	**(41,223,420)**	**271,230**	**6,374,800**	**(41,223,420)**	**(34,848,620)**

		2019 GH¢	2018 GH¢
14c	**National stabilization levy**		
	Charge to statement of profit or loss and other comprehensive income	**(8,834,568)**	**(5,260,598)**

In accordance with the National Fiscal Stabilization Act, 2013 (Act 862) all companies in Banking, Non Bank Financial Institutions, Insurance, Mining, Brewery and Communication are supposed to pay a levy of 5% of profit before tax towards National Fiscal Stability.

14d Factors affecting the current tax charged for the year

A reconciliation of the charge that would result from applying the standard Ghana corporate tax rate to profit before tax to tax charge for the year is given below:

	2019 GH¢	2018 GH¢
Pretax profit for the year	**176,691,350**	**105,211,956**
Tax charge thereon at Ghana corporate tax rate of 25%	44,172,838	26,302,989
Factors affecting charge:		
Non deductible expenses	30,541,281	18,551,247
Income exempted	(35,399,523)	(6,875,163)
National stabilisation levy	8,834,568	5,260,598
Tax on corporate profit (note 14)	**48,149,164**	**43,239,671**
Effective corporate income tax rate	27.3%	41.1%

The tax charge on profit for the year is based on Ghana's corporate tax rate of 25% . A national Stabilisation Levy of 5% is also charged (2018 : Corporate tax 25%, National Stabilisation Levey 5%).

Notes to the Financial Statements cont'd

15 Earnings per share

Basic earnings per share is calculated by dividing the profit after tax for the year attributable to the equity holders of the Bank by the weighted average number of shares, held during the year after deducting treasury shares.

The following table shows the income and share data used in the calculation of the basic earnings per share:

	2019 GH¢	2018 GH¢
Profit attributable to shareholders of the bank (GH¢)	128,542,186	61,972,285
Number of shares		
Weighted average number of oustanding ordinary shares	709,141,367	570,855,943
Basic earning per share (GH¢)	0.18	0.11
Diluted earnings per share (GH¢)	0.18	0.11

Diluted earnings per share
The bank has no category of dilutive potential ordinary shares.

		2019 GH¢	2018 GH¢
16	**Cash and cash equivalents**		
	Cash on hand and cash balances with bank of Ghana (note 16a)	556,765,384	304,386,398
	Due from banks and other institutions (note 16b)	739,187,696	337,750,160
	Gross cash and cash equivalent	1,295,953,080	642,136,558
	Less allowance for ECL	(312,349)	(300,504)
		1,295,640,731	641,836,054

		2019 GH¢	2018 GH¢
16a	**Cash on hand and cash balances with Bank of Ghana**		
	Cash on hand	72,521,797	67,916,545
	Balance with Bank of Ghana	484,243,587	236,469,853
		556,765,384	304,386,398

		2019 GH¢	2018 GH¢
16b	**Due from banks and other institutions**		
	Nostro account balances and nostro placements	723,091,266	104,999,080
	Items in course of collection	16,096,430	14,751,080
	Placement with local banks	-	218,000,000
		739,187,696	337,750,160

Notes to the Financial Statements cont'd

An analysis of changes in the gross carrying amount in relation to cash and cash equivalents is, as follows:
The table below shows the credit quality and the maximum exposure to credit risk based on the Bank's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

2019	GH¢	GH¢	GH¢	GH¢
	Stage 1	Stage 2	Stage 3	Total
	Individual	Individual	Individual	
Cash and cash equivalents	1,295,953,080	-	-	1,295,953,080
Total	**1,295,953,080**	-	-	**1,295,953,080**

An analysis of changes in the gross carrying amount and the corresponding ECL allowances is, as follows:

2019	GH¢	GH¢	GH¢	GH¢
	Stage 1	Stage 2	Stage 3	Total
	Individual	Individual	Individual	
Gross carrying amount as at 1 January 2019	642,136,558	-	-	642,136,558
New assets originated or purchased	1,295,953,080	-	-	1,295,953,080
Assets derecognised or repaid (excluding write offs)	(642,136,558)	-	-	(642,136,558)
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Amounts written off	-	-	-	-
Total	**1,295,953,080**	-	-	**1,295,953,080**

		2019 GH¢	2018 GH¢
16c	**Impairment allowance for cash and cash equivalents**		
	Balance as at 1 January	300,504	193,132
	Charge for the year	11,845	107,372
	Balance as at 31 December	**312,349**	**300,504**

Notes to the Financial Statements cont'd

An analysis of corresponding expected credit Loss (ECL) allowances are, as follows:

2019	GH¢ Stage 1 Individual	GH¢ Stage 2 Individual	GH¢ Stage 3 Individual	GH¢ Total
ECL allowance as at 1 January 2019	300,504	-	-	300,504
New assets originated or purchased	312,349	-	-	312,349
Assets derecognised or repaid (excluding write offs)	(300,504)	-	-	(300,504)
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Amounts written off	-	-	-	-
Total	**312,349**	-	-	**312,349**

		2019 GH¢	2018 GH¢
17	**Non-pledged trading assets**		
	Government bonds	11,492,432	14,005,329
	Treasury bills	46,031,504	61,713,165
		57,523,936	**75,718,494**

17a	**Non pledged trading assets**		
		FV Through P&L	**FV Through P&L**
		GH¢	**GH¢**
	Balance as at 1 January	75,718,494	74,300,514
	Additions	57,442,463	75,850,940
	Disposals	(75,718,494)	(74,300,514)
	Fair value	81,473	(132,446)
	Balance as at 31 December	**57,523,936**	**75,718,494**

None of the financial instruments was pledged as collateral during the year (2018: Nil).

		2019 GH¢	2018 GH¢
18	**Equity investments**		
	Advans Ghana (note 18a)	3,254,380	2,519,145
	YUP Ghana	5,608,520	287,897
	Total	**8,862,900**	**2,807,042**
18a	Advans Ghana		
	Balance as at 1 January	2,519,145	1,893,660
	Fair value	735,236	625,485
		3,254,381	**2,519,145**

Notes to the Financial Statements cont'd

Advans Ghana is a Savings and Loans company which specializes in the collection of deposits and giving of credits. Societe Generale Ghana has a 10% stake in the ownership of the company. It is an unlisted equity investment which is carried at fair value through profit or loss.

YUP Ghana Limited has been incorporated as a private company limited by shares. The Company is registered with 500,000,000 shares of no par value with Societe Generale Group having a 75% interest and Societe Generale Ghana having a 25% interest. The nature of business the company is authorized to carry on are the distribution of electronic money. YUP Ghana Limited is fully registered with the Ghana Investment Promotion Centre to enable operations to commence. During the year under review, both shareholders fully paid up their remaining equity contributions to enable YUP Ghana have fully paid up shares.
In line with the Regulations of the Central Bank, YUP Ghana Limited has submitted an application to the Bank of Ghana for approval under the Banks and Specialized Deposit Taking Institutions Act, 2016 (Act 930). However, Bank of Ghana is yet to grant approval for YUP Ghana Limited to commence full operations. When fully operational YUP Ghana will be held under our investment company SSBI.

		2019 GH¢	2018 GH¢
19	**Loans and advances**		
	Overdrafts	708,224,806	458,404,448
	Term loans	2,052,842,656	1,411,845,438
	Export financing	367,386	325,277
	Staff loan	57,972,086	50,137,065
	Equipment finance lease	125,018,854	44,905,545
	Gross loans and advances (note 19d)	**2,944,425,788**	**1,965,617,773**
	Amortised cost adjustment	(26,879,968)	(21,030,685)
	Interest in suspense	(20,161,132)	(29,942,384)
	Less: allowances for impairment (note 19e)	(253,990,687)	(249,360,503)
		2,643,394,001	**1,665,284,201**

Loans and advances		
Current	2,647,558,111	1,604,841,173
Olem	36,803,538	69,779,118
Substandard	31,861,675	61,468,615
Doubtful	73,804,284	48,167,160
Loss	154,398,180	181,361,707
Total	**2,944,425,788**	**1,965,617,773**

Non Performing loans are made up of facilities classified as substandard, doubtful and loss. The total non performing loans in 2019 is GH¢ 260,064,139

Notes to the Financial Statements cont'd

		2019	2018
19a	**Other statistics**		
	i. Loan loss provision ratio	8.6%	12.7%
	ii. Gross non-performing loan ratio	8.8%	14.8%
	iii. 50 largest exposure (gross funded loan and advances to total exposure)	69.2%	52.2%
	iv. Liquidity ratio	64.6%	89.7%
	v. Leverage ratio	9.3%	10.4%
	vi. Off-balance sheet exposures (GH¢ Million)	766.5	1,193.0
19b	**Analysis by type of customers**		
	Individual	813,750,609	692,116,247
	Private enterprise	1,741,229,727	990,043,891
	Public enterprise	118,587,482	125,292,011
	Government departments and agencies	212,885,884	108,028,559
	Staff	57,972,086	50,137,065
		2,944,425,788	**1,965,617,773**
19c	**Analysis by industry sector**		
	Agriculture, forestry and fishing	479,087,488	214,741,507
	Mining and quarrying	163,524,095	15,899,359
	Manufacturing	395,559,193	289,195,382
	Construction	50,257,690	71,605,483
	Electricity, gas and water	190,068,664	147,456,117
	Commerce and finance	144,870,077	135,658,373
	Transport, storage, communication and services	1,440,571,022	1,022,151,667
	Miscellaneous	80,487,559	68,909,885
		2,944,425,788	**1,965,617,773**

19d **Analysis of gross loans and advances**

The table below shows the credit quality and the maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of impairment allowances.

2019 GH¢	Stage 1	Stage 2	Stage 3	Total
	Collective	Collective	Specific	
Corporate lending	1,844,755,709	19,681,318	187,753,968	2,052,190,995
Retail lending	793,870,927	22,479,742	75,884,124	892,234,793
Gross loan balance	**2,638,626,636**	**42,161,060**	**263,638,092**	**2,944,425,788**

Notes to the Financial Statements cont'd

An analysis of changes in the gross carrying amount in relation to corporate lending is, as follows:

2019 GH¢

	Stage 1	Stage 2	Stage 3	Total
	individual	individual	specific	
Gross carrying amount as at 1 January 2019	904,069,933	26,998,723	270,976,027	1,202,044,683
New assets originated or purchased	1,329,213,328	15,616,945	68,481,171	1,413,311,444
Assets derecognised or repaid (excluding write offs)	(374,762,418)	(17,362,591)	(110,121,736)	(502,246,745)
Transfers to stage 1	13,575,076	(9,766,551)	(3,808,525)	-
Transfers to stage 2	(9,397,414)	9,397,414	-	-
Transfers to stage 3	(17,942,796)	(5,107,231)	23,050,027	-
Amounts written off	-	(95,391)	(60,822,996)	(60,918,387)
Total	**1,844,755,709**	**19,681,318**	**187,753,968**	**2,052,190,995**

An analysis of changes in the gross carrying amount in relation to retail lending is, as follows:

Gross carrying amount as at 1 January 2019	688,461,129	20,858,456	54,253,505	763,573,090
New assets originated or purchased	404,341,017	9,980,164	8,777,534	423,098,715
Assets derecognised or repaid (excluding write offs)	(272,913,768)	(6,434,356)	(6,867,672)	(286,215,796)
Transfers to stage 1	5,834,567	(4,336,713)	(1,497,854)	-
Transfers to stage 2	(11,856,744)	11,856,744	-	-
Transfers to stage 3	(19,972,800)	(7,612,559)	27,585,359	-
Amounts written off	(22,475)	(1,831,995)	(6,366,746)	(8,221,216)
Total	**793,870,926**	**22,479,741**	**75,884,126**	**892,234,793**

19e Analysis of impairement allowances

Corporate lending	58,137,922	1,075,166	131,541,839	190,754,927
Retail lending	10,471,882	2,635,519	50,128,358	63,235,759
Gross loan balance	**68,609,804**	**3,710,685**	**181,670,197**	**253,990,686**

19f Analysis of impairement allowances

	2019 GH¢	2018 GH¢
Balance as at 1 January	248,768,249	197,197,394
Loans written off during the year	(55,688,000)	(7,039,000)
Increase in provision	60,910,438	58,609,855
Balance as at 31 December	253,990,687	248,768,249
Increase in provision	60,910,438	58,609,855
Loans written off not covered by provision	2,704,687	485,378
Bad debt charge on loans and advances	**63,615,125**	**59,095,233**

Notes to the Financial Statements cont'd

Impairment allowance for loans and advances to corporate customers

2019 GH¢

	Stage 1 individual	Stage 2 individual	Stage 3 individual	Total
Gross carrying amount as at 1 January 2019	24,877,679	4,794,975	172,373,000	202,045,654
New assets originated or purchased	39,138,238	2,576,796	42,164,000	83,879,034
Assets derecognised or repaid (excluding write offs)	(9,411,408)	(4,124,353)	(30,093,000)	(43,628,761)
Transfers to stage 1	4,353,619	(1,611,481)	(2,742,138)	-
Transfers to stage 2	(281,922)	281,922		-
Transfers to stage 3	(538,284)	(842,693)	1,380,977	-
Amounts written off	-	-	(51,541,000)	(51,541,000)
As at 31 December	**58,137,922**	**1,075,166**	**131,541,839**	**190,754,927**

Impairment allowance for loans and advances to retail customers

	Stage 1 individual	Stage 2 individual	Stage 3 individual	Total
Gross carrying amount as at 1 January 2019	3,470,264	11,107,585	32,737,000	47,314,849
New assets originated or purchased	8,150,853	2,337,501	24,447,000	34,935,354
Assets derecognised or repaid (excluding write offs)	(2,954,144)	(8,101,300)	(3,812,000)	(14,867,444)
Transfers to stage 1	2,214,381	(1,049,182)	(1,165,199)	-
Transfers to stage 2	(130,602)	130,602	-	-
Transfers to stage 3	(278,870)	(1,789,687)	2,068,557	-
Amounts written off	-	-	(4,147,000)	(4,147,000)
As at 31 December	**10,471,882**	**2,635,519**	**50,128,358**	**63,235,759**

Loan provisioning/impairment are carried out in accordance with Bank of Ghana Policy as well as the principles of IFRS. Loan impairment losses calculated based on IFRS principles are passed through the statement of comprehensive income. Where provisions per IFRS is more than provisions per of Bank of Ghana guidelines, no regulatory credit reserve is required.

When the credit loss provision calculated under IFRS principles is less than what is required under the Bank of Ghana, transfers are made from the income surplus account into the non- distributable regulatory credit reserves.

2019	**2019 GH¢**	2018 GH¢
Provisions per Bank of Ghana guidelines	214,168,993	224,228,622
Provisions per IFRS	**258,612,540**	**255,571,091**

No credit risk reserve was made in 2019 and 2018 as IFRS provision is greater than provision under Bank of Ghana guidelines.

Notes to the Financial Statements cont'd

20 Investment securities

	Debt instruments measured at amortised cost **2019** **GH¢**	Debt instruments measured at amortised cost **2018** **GH¢**
Government bonds	83,104,992	691,417,274
	83,104,992	**691,417,274**

Debt instruments measured at amortised cost

The table below shows the credit quality and the maximum exposure to credit risk and year-end stage classification. The amounts presented are gross of impairment allowances.

2019	Stage 1	Stage 2	Stage 3	Total
	individual	individual	individual	
Government bills and Bonds	83,104,992	-	-	83,104,992
Total exposure	**83,104,992**	**-**	**-**	**83,104,992**

An analysis of changes in the gross carrying amount and year-end stage classification is, as follows:

	Stage 1	Stage 2	Stage 3	Total
	individual	individual	collective	
Gross carrying amount as at 1 January 2019	691,417,274	-	-	691,417,274
New assets originated or purchased	46,591,281	-	-	46,591,281
Assets derecognised or repaid (excluding write offs)	(654,903,563)	-	-	(654,903,563)
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Amounts written off	-	-	-	-
Total	**83,104,992**	-	-	**83,104,992**

Impairment allowance for debt instruments measured at amortised cost

Instruments under this category were issued by the central bank and government. Impairement for these instruments were assessed to be insignificant

21 Property, plant and equipment

	2019 **GH¢**	2018 GH¢
Property, plant and equipment (21b)	290,868,619	289,214,114
	290,868,619	**289,214,114**

Notes to the Financial Statements cont'd

21a Depreciation and amortization

	2019 GH¢	2018 GH¢
Property, plant and equipment (21b)	31,877,648	21,000,211
Intangible assets (22)	1,303,033	1,756,012
Charge to statement of profit or loss and other comprehensive income	**33,180,681**	**22,756,223**

21b

2019	Land & building GH¢	Right of use assets GH¢	Computers GH¢	Furniture & equipment GH¢	Motor vehicles GH¢	Assets in course of construction GH¢	Total GH¢
Cost/valuation							
Balance as at 1 January	258,808,734	-	20,744,290	45,584,312	8,201,773	25,743,835	359,082,944
Transfers:							
From land & building	(184,159,794)	179,141,921	-	-	-	-	(5,017,873)
From other assets to ROUA	-	11,784,937	-	-	-	-	11,784,937
Balance after IFRS 16 application	**74,648,940**	**190,926,858**	**20,744,290**	**45,584,312**	**8,201,773**	**25,743,835**	**365,850,008**
Additions	202,085	7,133,570	790,815	1,419,031	197,245	12,372,987	22,115,733
Transfers	4,981,797	5,905,691	333,819	2,782,917	943,359	(15,177,786)	(230,203)[1]
Disposal	-	-	-	(42,961)	(720,683)	-	(763,644)
Balance as at 31 December	**79,832,822**	**203,966,119**	**21,868,924**	**49,743,299**	**8,621,694**	**22,939,036**	**386,971,894**
Depreciation							
Balance as at 1 January	21,404,945	-	18,574,988	25,917,438	3,971,457	-	69,868,828
Charge for the year	6,095,339	15,027,290	1,391,864	6,723,311	2,639,844	-	31,877,648
Transfers	(5,017,873)	-	-	-	-	-	(5,017,873)
Disposal	-	-	-	(42,961)	(582,367)	-	(625,328)
Balance as at 31 December	**22,482,411**	**15,027,290**	**19,966,852**	**32,597,788**	**6,028,934**	**-**	**96,103,275**
Net book value							
At 31 December 2019	**57,350,411**	**188,938,829**	**1,902,072**	**17,145,511**	**2,592,760**	**22,939,036**	**290,868,619**

Assets transfered to Right of Use Assets (ROUA) were based on net book values (NBV).

(1) The amount relates to assets released from Assets in course of construction to intangible assests (note 22).

Notes to the Financial Statements cont'd

Property, Plant and Equipment

21b

2018	Land & building GH¢	Right of use assets GH¢	Computers GH¢	Furniture & equipment GH¢	Motor vehicles GH¢	Assets in course of construction GH¢	Total GH¢
Cost/valuation							
Balance as at 1 January	223,977,398	-	19,329,144	39,725,994	6,941,071	37,768,472	327,742,079
Additions	2,800,581	-	1,415,146	3,599,691	353,514	23,264,439	31,433,371
Transfers	32,046,007	-	-	2,308,503	934,566	(35,289,076)	-
Disposal	(15,254)	-	-	(49,876)	(27,378)	-	(92,508)
Balance as at 31 December	**258,808,732**	**-**	**20,744,290**	**45,584,312**	**8,201,773**	**25,743,835**	**359,082,942**
Depreciation							
Balance as at 1 January	11,342,068	-	17,104,721	18,719,998	1,775,635	-	48,942,422
Charge for the year	10,069,425	-	1,470,267	7,237,319	2,223,200	-	21,000,211
Disposal	(6,548)	-	-	(39,879)	(27,378)	-	(73,805)
Balance as at 31 December	**21,404,945**	**-**	**18,574,988**	**25,917,438**	**3,971,457**	**-**	**69,868,828**
Net book value							
At 31 December 2018	**237,403,787**	**-**	**2,169,302**	**19,666,874**	**4,230,316**	**25,743,835**	**289,214,114**

22 Intangible assets

	2019 GH¢	2018 GH¢
Intangible assets		
Computer software		
Cost		
Balance as at 1 January	20,538,987	18,717,352
Additions	432,411	1,821,634
Transfers of asset in course of construction note 21b	230,203	
Balance as at 31 December	**21,201,601**	**20,538,986**
Amortisation		
Balance as at 1 January	18,170,003	16,413,991
Charge for the Year	1,303,033	1,756,012
Balance as at 31 December	19,473,036	18,170,003
Net book value		
31 December	**1,728,565**	**2,368,983**

The amortization periods and key factors considered in determining the useful life are the same as disclosed in note 2.9 above.

Notes to the Financial Statements cont'd

		2019 GH¢	2018 GH¢
23	**Current tax: assets / (liabilities)**		
	Corporate tax (note 23a)	(35,602,172)	1,425,257
	National stabilization levy (note 23b)	(149,158)	457,509
		(35,751,330)	**1,882,766**

		2019 GH¢	2018 GH¢
23a	**Current tax: assets / (liabilities)**		
	Balance as at 1 January	1,425,257	(3,845,026)
	Charge to statement of profit or loss and other comprehensive income		
	Up to 2018	(39,354,932)	-
	2019	(35,079,514)	(38,613,030)
	Payment/credit during the year	37,407,017	43,883,313
	Balance as at 31 December	**(35,602,172)**	**1,425,257**

		2019 GH¢	2018 GH¢
23b	**National stabilization levy**		
	Balance as at 1 January	457,509	(10,537)
	Charge to statement of profit or loss and other comprehensive income	(8,834,567)	(5,260,598)
	Payment/credit during the year	8,227,900	5,728,644
	Balance as at 31 December	**(149,158)**	**457,509**

The levy charged on the profit is based on a rate of 5% .

In accordance with the National Fiscal Stabilization Act, 2013, (Act 862) all companies in Banking, Non Bank Financial Institutions, Insurance, Mining, Brewery and Communication are supposed to pay alevy of 5% of profit before tax towards National Fiscal Stability .

		2019 GH¢	2018 GH¢
24	**Other assets**		
	Stationary and consumable stocks	195,890	106,752
	Prepayments and sundry debtors	62,268,706	55,201,834
	Accrued income	49,639	138,818
		62,514,235	**55,447,404**

24a	**Prepayments and sundry debtors**		
	Deferred cost	597,407	-
	Unpaid customer charges	6,424,041	6,720,308
	Deferred staff cost	13,018,273	9,824,822
	Rent prepayment	279,782	20,630,791
	Medical prepayment	2,855,837	2,737,230
	Other sundry debtors & prepayment	39,093,366	15,288,683
		62,268,706	**55,201,834**

Notes to the Financial Statements cont'd

		2019 GH¢	2018 GH¢
25	**Derivative assets held for risk management**		
	Foreign exchange	-	**5,380,060**
		-	**5,380,060**

Derivative financial instruments

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amount, recorded gross, is the amount of a derivative's underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at the year end and are indicative of neither the market risk nor the credit risk.

	2019 GH¢ Fair value of derivatives held for trading GH¢	2019 GH¢ Notional amount GH¢	2018 GH¢ Fair value of derivatives held for trading GH¢	2018 GH¢ Notional amount GH¢
Foreign exchange SWAP	-	-	5,380,060	517,977,952

Most of the Bank's derivative trading activities relate to deals with customers that are normally offset by transactions with other counterparties. The Bank may also take positions with the expectation of profiting from favourable movements in prices, rates or indices.

The derivatives of the bank are fair valued at level 2 using the discounted cash flow method. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rate at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

		2019	2018
26	**Borrowings**	**GH¢**	GH¢
	Socgen borrowing	116,367,859	275,411,137
	European international bank	27,763,111	29,556,277
	Proparco	33,191,271	43,763,223
	Edaif managed fund	373,736	882,768
		177,695,977	**349,613,405**

The Bank has not had any defaults of principal, interest or other breaches with regard to any liabilities during 2019 or 2018.

Summary of borrowing arrangements

Societe de Promotion et de Participation pour la Cooperation Economique (PROPARCO): This is a USD 30 million long-term credit line ('the facility') granted to the bank. The first draw down of USD 6 million has a fixed interest rate of 5.12% and will mature on 30 April 2020. The second draw down of USD 4 million has a fixed interest rate of 5.19% and will mature on 30 April 2020. The third draw down was EUR7.5 million.

The related interest rate is 6-months Libor plus a margin of 370 basis points and will mature on 31 October 2024.The bank is on schedule with interest and principal payments.

Notes to the Financial Statements cont'd

European investment Bank (EIB): This is a € 20 million credit facility extended to the bank by EIB. The loan could be drawn in EUR and/or USD and to be used to finance up to 50% of the banks capital expenditure intended to develop the bank's intermediation capacities (such as developing its branch network, IT Systems, training etc.) and for financing eligible Private Sector Small and Medium Sized Enterprises. The interest rate on the drawn portion is fixed at 5.422% and matures on 1 April 2024. As at 31 December 2019 the outstanding balance is € 4.95 million. The bank is on schedule with interest and principal payments.

Export trade, Agriculture and Industrial Development Fund (EDAIF): It is a public Investment Fund operating as an agency of the Ministry of Trade and Industry and governed by an Act of parliament. The objective of the fund is to provide financial resources for the development and promotion of: export trade, agriculture related to agro-processing and industrial development.
The Fund is sustained by inflows from the following sources: 0.75% of value of non-petroleum commercial imports; 10% of net divestiture proceeds; such other monies as the Minister of Finance in consultation with the Minister of Trade and Industry with Parliament's approval may determine to be paid into the Fund; recoveries of loans and interest payments, etc.

Current interest rate applicable on credit facilities is 12.5% (which is subject to review by the board from time to time). No minimum loan is prescribed but the maximum loan per borrower is pegged at GH¢ 10.0 million. Facility tenures are short term - not exceeding 2 years, medium term - not exceeding 5 years and long term - for a period not exceeding 10 years.

SocGen borrowing: This is a $ 50 million renewable 1 year credit line from the Societe Generale Group. As at 31 December 2019 the outstanding balance is $ 21.0 million at an average rate of 2.08% . The bank is on schedule with interest and principal payments.

27	**Deposit from customers**	**2019**	2018
	Retail customers	**GH¢**	GH¢
	Term deposits	366,448,925	319,014,326
	Current deposits	670,506,185	529,031,703
	Savings deposits	403,370,000	327,577,770
	Corporate customers		
	Term deposits	285,864,661	77,150,326
	Current deposits	1,441,773,443	838,450,999
	Savings deposits	1,742,757	70,157,474
	Interest payable on deposits		
	Deposits from customers	**3,169,705,971**	**2,161,382,598**
	Deposits from banks	**25,675,390**	**3,667,371**
		3,195,381,361	**2,165,049,969**
27a	**Analysis by type of deposits**		
	Financial institutions	30,659,804	31,314,782
	Individuals and other private enterprise	3,084,892,015	2,045,514,379
	Government departments and agencies	8,253,547	2,691,404
	Public enterprises	71,261,825	85,529,404
		3,195,381,361	**2,165,049,969**
	20 Largest depositors to total deposit ratio	**30.85%**	**21.97%**

Notes to the Financial Statements cont'd

		2019	2018
28	**Other liabilities**	**GH¢**	GH¢
	Creditors	34,595,186	27,315,649
	Other creditors and provisions (28a)	50,352,749	77,205,490
	Accruals (28b)	148,171,175	75,538,359
		233,119,110	**180,059,498**
28a	**Other creditors and provisions**		
	Payment orders	5,377,101	10,342,490
	Statutory deductions	2,147,858	2,600,620
	Uncleared effects (28c)	27,464,990	44,634,406
	Other commitments & credit balances	8,529,755	4,493,450
	Provisions for legal expenses (28d)	1,783,800	1,220,800
	Off balance sheet provisions	4,309,506	5,959,016
	Other provisions (28d)	739,739	7,954,708
		50,352,749	**77,205,490**
28b	**Accruals**		
	Staff & related accruals	7,179,140	7,714,541
	Audit fees	590,512	144,203
	Software maintenance	52,605,612	34,098,028
	IT, marketing & other shared services	58,038,648	22,860,817
	Other accruals	29,757,263	10,720,770
		148,171,175	**75,538,359**

28c Uncleared effects

This comprises uncleared balances on customer cheques and balances on customer transit accounts pending onward transfer.

		2019	**2019**	**2019**	**2019**
		Below 3	**3 to 6**	**6 to 12**	**Above 1**
Aging analysis of uncleared effect	**Total**	**months**	**months**	**months**	**year**
	GH¢	**GH¢**	**GH¢**	**GH¢**	**GH¢**
Uncleared effect	**27,464,990**	**23,556,224**	**1,989,351**	**1,095,725**	**823,690**

		2018	2018	2018	2018
		Below 3	3 to 6	6 to 12	Above 1
	Total	months	months	months	year
	GH¢	GH¢	GH¢	GH¢	GH¢
Uncleared effect	**44,634,406**	**39,161,593**	**297,213**	**17,522**	**5,158,078**

Notes to the Financial Statements cont'd

28d Provisions

2019	**Legal Provisions GH¢**	**Others Provisions GH¢**	**Total GH¢**
As at 1 January 2019	1,220,800	7,954,708	9,175,508
Provisions made during the year	563,000	-	563,000
Provisions reversed during the year	-	(7,954,708)	(7,954,708)
As at 31 December 2019	**1,783,800**	**-**	**1,783,800**
2018			
As at 1 January 2018	1,055,000	8,574,178	9,629,178
Provisions made during the year	165,800	-	165,800
Provisions reversed during the year	-	(619,470)	(619,470)
As at 31 December 2018	**1,220,800**	**7,954,708**	**9,175,508**

29 Stated Capital

a. Authorised ordinary shares	**2019**	2018
Number of ordinary shares of no par value	**1,000,000,000**	1,000,000,000

	2019		2018	
	Number	**Amount GH¢**	Number	Amount GH¢
Issued and fully paid ordinary shares	**709,141,367**	**404,245,427**	**709,141,367**	**404,245,427**

30 Other Reserves	**2019 GH¢**	2018 GH¢
Balance as at 1 January	-	1,480,662
Movements during the year	-	(1,480,662)
Balance as at 31 December	-	**-**

The application of the new accounting model resulted in the reclassification of the bank's AFS financial instrument (measured at FVOCI) to Debt instrument measured at amortised cost in 2018. A remeasurement adjustment of GH¢ 1,480,662 (net of tax) was reversed at 1 January 2018

	2019	2018
31 Dividend declared and paid	**GH¢**	GH¢
Equity dividend on ordinary shares:		
Dividend declared	28,365,655	-
Dividend paid during the year	(28,365,655)	-
Balance as at 31 December	-	-

Dividends are treated as appropriation of profit in the year of approval by shareholders.

Notes to the Financial Statements cont'd

32 **Related party transactions / disclosures**

A number of banking transactions were entered into with related parties in the normal course of business. These include loans and placements. Loans to related parties is done at arm's length and approved by the highest approving authority as spelt out in the Banks and Specialized Deposit Taking Institutions Act, 2016 (Act 930) which requires that :

i. The person to whom the credit facility is given has credit worthiness which is not less than that normally required by the Bank or other persons to whom credit facilities are given.

ii. A collateral provided will be evaluated on the same terms and procedures normally required by the Bank for any other person to whom a credit facility is given

iii. The terms and conditions of the credit facility are not less favourable to the Bank than those normally offered to other persons and

iv. The granting of the credit facility is in the interest of the bank.

During the year the following transactions were performed with related parties:

a. **Interest paid and interest received from related parties during the year**

	2019		2018	
	Interest paid	**Interest received**	Interest paid	Interest received
	GH¢	**GH¢**	GH¢	GH¢
Societe Generale borrowing	**8,443,289**	**88,615**	1,899,649	113,852

	2019 GH¢	2018 GH¢
b. **Related party balances at December**		
Lending to related parties:		
Officers and employees other than directors	57,972,086	50,137,065
Placement with Societe Generale Group	-	-
Nostro account balances with Societe Generale Group	**628,198,392**	**53,755,152**

c. **Loans to directors**

There were no loans to directors during the period.

d. **Controlling relationship**

Societe Generale Group is related by virtue of its ultimate (100%) controlling interest in SG Financial Services Holding, which has significant controlling interest in the shareholding in Societe Generale Ghana Limited.

33 **Contingent liabilities**

	2019 GH¢	2018 GH¢
33a **Breakdown of contingent liabilities**		
Guarantees and indemnities	228,593,438	307,564,759
Letters of credit & others	116,796,169	151,835,015
Other undrawn commitments	215,719,435	245,408,358
Spot and forward purchase	205,383,248	488,186,347
	766,492,290	**1,192,994,479**

Notes to the Financial Statements cont'd

To meet the financial needs of customers, the Bank enters into various irrevocable commitments and contingent liabilities. These consist of financial guarantees, letters of credit and other commitments to lend. Even though these obligations may not be recognised on the statement of financial position, they contain credit risk and,therefore, form part of the overall risk of the Bank.

Letters of credit and guarantees (including standby letters of credit) commit the Bank to make payments on behalf of customers in the event of a specific act, generally related to the import or export of goods. Guarantees and standby letters of credit carry a similar credit risk to loans. The nominal values of such commitments are listed below.

Impairment losses on guarantees and other commitments
An analysis of changes in the gross carrying amount and the corresponding allowance for impairment losses in relation to guarantees and other commitments is, as follows:

Financial guarantees
The table below shows the credit quality and the maximum exposure and year-end stage classification

2019

	Stage 1 individual	Stage 2 individual	Stage 3 individual	Total
Financial guarantees	766,492,290	-	-	766,492,290
Total outstanding exposure	**766,492,290**	-	-	**766,492,290**

An analysis of changes in the gross carrying amount in relation to contingent liabilities is, as follows:

	Stage 1 individual	Stage 2 individual	Stage 3 individual	Total
Balance as at 1 January	1,192,994,479	-	-	1,192,994,479
New assets originated or purchased	497,394,746	-	-	497,394,746
Assets derecognised or matured (excluding write offs)	(923,896,935)	-	-	(923,896,935)
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Amounts written off	-	-	-	-
Balance as at 31 December	**766,492,290**	-	-	**766,492,290**

33b Impairment allowance for contingent liabilities

	2019 GH¢	2018 GH¢
Balance as at 1 January	5,959,016	6,623,956
Charge for the year	(1,649,511)	(664,940)
Balance as at 31 December	**4,309,505**	**5,959,016**

Notes to the Financial Statements cont'd

	Stage 1 individual	Stage 2 individual	Stage 3 individual	Total
Impairment allowance for contingent liabilities				
Balance as at 1 January 2019	5,959,016	-	-	5,959,016
New assets originated or purchased	3,502,846	-	-	3,502,847
Assets derecognised or matured (excluding write offs)	(5,152,357)	-	-	(5,152,357)
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Amounts written off	-	-	-	-
Balance as at 31 December 2019	**4,309,505**	-	-	**4,309,506**

34 Legal liability

Litigation is a common occurrence in the Banking industry due to the nature of the business undertaken. The Bank has formal controls and policies for managing legal claims. Once professional advice has been obtained and the amount of loss is reasonably estimated, the Bank makes adjustments to the account for any adverse effects which the claims may have on its financial standing. At year-end, the Bank had several unresolved legal claims.

Adequate provision has been made for all the relevant litigation for which losses may be probable. The probable outflow which could result from all such litigation, based on the current status of the various legal proceedings, is estimated to be no more than GH¢ 1,783,800 while the timing of the outflow is uncertain.

35 Analysis of financial assets and liabilities

Financial assets and liabilities are measured on an on-going basis either at fair value or at amortized cost. The principal accounting policies in Notes 2 describe how the classes of financial instruments are measured and how income and expenses, including fair value gains and losses, are recognized. The following table analyses the financial assets and liabilities in the statement of financial position by class of financial instrument to which they are assigned, and therefore by the measurement basis:

31 December 2019	Financial assets at FVPL	Equity instrument designated at FVOCI	Loan and advances at amortised cost	Debt instrument at amortised cost	Total Carrying
Financial assets	GH¢	GH¢	GH¢	GH¢	GH¢
Cash & cash equivalents	-	-	1,295,640,731	-	1,295,640,731
Non-pledged trading assets	57,523,936	-	-	-	57,523,936
Investment securities	-	-	-	83,104,992	83,104,992
Loans and advances to customers	-	-	2,643,394,001	-	2,643,394,001
Investments (other than securities)	8,862,900	-	-	-	8,862,900
Other assets	-	-	62,514,235	-	62,514,235
Total financial assets	**66,386,836**	-	**4,001,548,967**	**83,104,992**	**4,151,040,795**
Total non-financial assets					**292,868,414**
Total assets					**4,443,909,209**

Notes to the Financial Statements cont'd

31 December 2019

Financial liabilities	Financial liabilities measured at amortised cost GH¢	Total carrying amount GH¢
Deposits from banks and customers	3,195,381,361	3,195,381,361
Borrowings	177,695,977	177,695,977
Other liabilities	233,119,110	233,119,110
Total financial liabilities	**3,606,196,448**	**3,606,196,448**
Total non-financial liabilities		**837,712,761**
Total liabilities and shareholders fund		**4,443,909,209**

31 December 2018 **Financial Assets**	Financial assets at FVPL GH¢	Equity instrument designated at FVOCI GH¢	Loan and advances at amortised cost GH¢	Debt instrument at amortised cost GH¢	Total carrying amount GH¢
cash & cash equivalents	-	-	641,836,054	-	641,836,054
Non-pledged trading assets	75,718,494	-	-	-	75,718,494
Investment securities	-			691,417,274	691,417,274
Loans and advances to customers	-	-	1,665,284,201	-	1,665,284,201
Investments (other than securities)	2,807,042	-	-	-	2,807,042
Derivative assets held for risk management	5,380,060	-	-	-	5,380,060
Other assets	-	-	55,447,404	-	55,447,404
Total financial assets	**83,905,596**	**-**	**2,362,567,659**	**691,417,274**	**3,137,890,529**
Total non-financial assets					**293,465,863**
Total assets					**3,431,356,392**

Financial liabilities	Financial liabilities measured at amortised Cost GH¢	Total carrying amount GH¢
Deposits from banks and customers	2,165,049,969	2,165,049,969
Borrowings	349,613,405	349,613,405
Other liabilities	214,908,118	214,908,118
Total financial liabilities	**2,729,571,492**	**2,729,571,492**
Total non-financial liabilities		**701,784,900**
Total liabilities and shareholders fund		**3,431,356,392**

Fair value approximates their carrying amount. Hence no further disclosure on fair values.

Notes to the Financial Statements cont'd

36 Determination of fair value and fair values hierarchy

The Bank uses the following hierarchy for determining and disclosing the fair value of financial instruments by the valuation technique:

- **Level 1:** Quoted (unadjusted) prices in active markets for identical assets or liabilities
- **Level 2:** Other techniques for which all inputs have a significant effect on the recorded fair
- **Level 3:** Techniques for which inputs have a significant effect on the recorded fair value that are not based on observable market data.

Financial assets and liabilities measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions are assets and liabilities for which pricing is obtained via pricing services, but where prices have not been determined in an active market, financial assets with fair values based on broker codes, investment in private equity funds with fair values obtained via fund managers and assets that are valued using the Bank's own models whereby the majority of assumptions are market observable.

Non-market observable inputs means that fair values are determined in whole, or in parts, using a valuation technique, based on assumptions that are neither supported by prices from observable current market transactions in the same instrument, nor are they based on available market data. The main asset classes in this category are unlisted equity investments and debt instruments. Valuation techniques are used to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Therefore, observable inputs reflect the Bank's own assumption about the assumptions that market participants will use in pricing the asset or liability (including assumptions about risk). These inputs are developed based on the best information available which might include the Bank's own data.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy done on a recurring basis.

	Note	Level 1	Level 2	Level 3	Total
31 December 2019		GH¢	GH¢	GH¢	GH¢
Non-pledged trading assets	17	-	57,523,936	-	57,523,936
Equity investment	18	-	8,862,900	-	8,862,900
Derivative financial assets	25	-	-	-	-
Land and building	-	-	-	246,289,239	246,289,239
	-	-	**66,386,836**	**246,289,239**	**312,676,075**
31 December 2018					
Non-pledged trading assets	17	-	75,718,494	-	75,718,494
Equity investment	18	-	2,807,042	-	2,807,042
Derivative financial assets	25	-	5,380,060	-	5,380,060
Land and building	-	-		237,403,787	237,403,787
	-	-	**83,905,596**	**237,403,787**	**321,309,383**

There were no transfers between levels 1 and 2 within the period.

Level 2 valuation technique

The assets in Level 2 comprise mainly Government of Ghana securities (Treasury Bills). They are valued using published results of tender for government of Ghana and Bank of Ghana bill, notes and bonds at the financial year end.

Level 3 valuation technique

The assets in Level 3 comprise revaluation gain on the Bank's fixed assets. Fair value of the properties was determined using the market comparable method. The valuations have been performed by the valuer and are based on proprietary databases of prices of transactions for properties of similar nature, location and condition.

Notes to the Financial Statements cont'd

37 Financial risk management

Risk is inherent in the Bank's activities but is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities.

The Bank is exposed to credit risk, liquidity risk, interest rate risk and market risk. It is also subject to various operating risks.

The independent risk control process does not include business risks such as changes in the environment, technology and industry. The Bank's policy is to monitor those business risks through the Bank's strategic planning process.

Risk management structure

The Board of Directors is ultimately responsible for identifying and controlling risks. However, there are separate independent bodies responsible for managing and monitoring risks.

Board of directors

The Board of Directors is responsible for the overall risk management approach and for approving the risk management strategies and principles.

Risk committees

The Risk Committees have the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Committees are responsible for managing risk decisions and monitoring risk levels. The main Risk Committees and its frequency of meetings are:

i. Credit Risk Committee - Quarterly;

ii. Asset and Liabilities Committee - Weekly;

iii. Structural Risk Committee - Quarterly;

iv. Market Risk Committee - Quarterly;

v. Operational Risk Committee (Periodic and Permanent Control, Business Continuity Planning and Compliance) - Quarterly.

Risk management

Risk Management is done under specialists units of Credit and Market Risk Department and Operational and Permanent Control Division. These units are responsible for implementing and maintaining risk related procedures to ensure independent control process is maintained.Societe Generale Ghana Risk is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls.

Risk management

This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities. The Bank is exposed to credit risk, liquidity and interest rate risk and market risk. It is also subject to various operating risks. The independent risk control process does not include business risks such as changes in the environment, technology and industry. The Bank's policy is to monitor those business risks through the Bank's strategic planning process.

Risk control

Risk Control is done under the various specialist units of Risk Management where monitoring of compliance with risk principles, policies and limits across the Bank is undertaken. Each business group has its own unit which is responsible for the independent control risks, including monitoring the risk of exposures against limits and the assessment of risks of new products and structured transactions. These units also ensure the complete capture of the risk in risk measurement and reporting systems through the various committees to the Board.

Bank treasury

The Bank's Treasury is responsible for managing the Bank's assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks management of the Bank.

Internal control systems

The bank has in place internal control systems and mechanisms aimed at ensuring that legal and regulatory provisions, ethics, and professional practices are complied with, internal processes of the bank are functioning properly and the financial information are reliable. The system is particularly designed to identify malfunctions and irregularities, to efficiently control risks, and to make sure that information systems are reliable. Internal control system distinguishes two levels of control: Permanent Control which forms the first level of control and Periodic Controls as a second level of control.

Permanent Control is essential for the bank's internal control structure and is defined as all procedures implemented on a permanent basis to guarantee that operations carried out on an operational level are correctly handled, secure and valid. It is based on day-to-day security, which is everyone's responsibility and on formal supervision carried out by management.

Periodic control activities are performed by dedicated and specialized teams of auditors which are independent from the operational entities. The scope of Periodic Controls encompasses all the bank's activities and can focus on any aspect of these activities, without any restrictions.

Notes to the Financial Statements cont'd

Note 37 cont'd

Internal audit

The Bank's policy is that risk management processes throughout the Bank are audited annually by the internal audit function, which examines both the adequacy of the procedures and the Bank's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the Audit Committee.

The most significant risks which the bank is exposed to and how they are managed are as below:

Credit risk

Credit risk is the risk that the Bank will incur a loss because its customers or counterparties fail to discharge their contractual obligations.

The Bank manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The Bank also manages its counter party risk through adherence to Bank of Ghana prudential requirements by ensuring that it's secured lending to any single borrower is below 25% of its net worth and that any single unsecured lending by the bank is less than 10% of the bank's net worth.

The framework for managing this risk is the credit policy which spells out the overall underwriting standards, credit approval process, credit administration and recovery processes. The policy is reviewed from time to time (at least yearly) in response to risk profile of new business opportunities/products, and any challenges with the recovery process.

The Bank has established a credit quality review process through the Credit Committee to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns major counterparty a risk rating.

Risk ratings are subject to regular revision.

The credit quality review process aims to allow the Bank to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

The Bank's credit quality review process is established in line with the Societe Generale Group's risk management governance based on the following;

- A strong managerial involvement throughout the entire organization from the Board of Directors through to the Credit Committee and to the operational field management teams.
- A tight framework of internal procedures and guidelines.
- A well defined permanent supervision process that assists to identify through a self examination the need for review of certain processes to improve on the Bank's credit delivery and collection processes.
- Independence of Risk assessment department from the business divisions;
- A consistent approach to risk assessment and monitoring applied throughout the Group.

The bank in estimating and establishing its potential credit losses, counterparty limits are established by the use of a credit risk classification system, which assigns major counterparties a risk rating. Risk ratings are subject to regular revision.

The credit quality review process aims to allow the bank to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

The Credit Committee also monitors the portfolio of loans and debt collection operations.

In this capacity, it does:

- analyze the portfolio of loans: retail customers, companies, banks and financial institutions and sovereign,
- monitor irregular commitments and the main sensitive risks,
- monitor debt collection files,
- assess guarantees and monitor provisions,
- ensure that the actions reported are monitored and performed

Using provisions made on facilities above 90 days, the credit risk exposure for the bank is considered to be stable over a three year period.

Notes to the Financial Statements cont'd

Note 37 cont'd

Maximum credit exposure

	2019 GH¢	2018 GH¢
Due from bank and other financial institution	739,187,696	337,449,656
Non-pledged trading assets	57,523,936	75,718,494
Investment securities	83,104,992	691,417,274
Loans and advances	2,944,425,788	1,965,617,773
Unsecured contingent liabilities and commitments	766,492,290	1,192,994,479
	4,590,734,702	**4,263,197,676**

Fair value of collateral held

The Bank holds collateral against loans and advances to customers in the form of mortgage interests over property, other registered securities over assets, and guarantees. Estimates of fair value are based on the value of collateral assessed at the time of borrowing, and generally are not updated except when a loan is individually assessed as impaired.

An estimate of the fair value of collateral and other security enhancements held against financial assets is shown below:

	2019 GH¢	2018 GH¢
Against impaired assets	574,949,924	461,063,426
Against past due but not impaired assets	29,275,047	161,079,028
	604,224,971	**622,142,454**

Liquidity risk and structural interest rate risk

Liquidity risk

Liquidity risk arises from the mismatch of the timing of cash flows relating to assets and liabilities. The liquidity policy of the Bank is approved by the Board under guidelines issued by Societe Generale Group and monitored daily to ensure that its funding requirements can be met at all times and that a stock of high quality liquid assets is maintained. The net liquidity gap resulting from liquidity analysis of assets and liabilities of the Bank as of 31 December 2019 is shown in the table below.

Notes to the Financial Statements cont'd

Note 37 cont'd

Maturity analysis of assets and liabilities

The table shows a summary of assets and liabilities analysed according to their undiscounted contractual terms of the transactions and models of historic client behaviour as well as conventional assumptions for some balance sheet items.

As at 31 December 2019	Total	Below 3	3 to 6	6 to 12	Above 1
	GH¢	months	months	months	year
Assets		GH¢	GH¢	GH¢	GH¢
Cash and cash equivalents	1,295,640,731	1,295,640,731			
Non-pledged trading assets	57,523,936	57,523,936			
Investment securities	83,104,992	68,076,322	1,296,058	4,512,754	9,219,858
Loans and advances to customers	2,643,394,001	617,908,437	277,294,575	401,872,213	1,346,318,776
Equity investments	8,862,900	-	-	-	8,862,900
Derivative asset	-	-	-	-	-
Current tax asset	-	-	-	-	-
Other assets	62,514,235	43,760,159	12,502,717	6,251,359	-
Property, plant and equipment	290,868,619	-	-	-	290,868,619
Intangible assets	1,728,565	-	-	-	1,728,565
Deferred tax assets	271,230	271,230	-	-	-
Total assets	**4,443,909,209**	**2,083,180,815**	**291,093,350**	**412,636,326**	**1,656,998,718**
Liabilities					
Deposits from banks	25,675,390	25,675,390	-	-	-
Deposits from customers	3,169,705,971	1,213,120,562	399,472,352	404,940,300	1,152,172,757
Borrowings	177,695,977	144,504,706	33,191,271	-	-
Other liabilities	233,119,110	139,613,341	69,935,733	23,570,036	-
Deferred tax liabilities	35,751,330	35,751,330	-	-	-
Total liabilities	**3,641,947,778**	**1,558,665,329**	**502,599,356**	**428,510,336**	**1,152,172,757**
Net liquidity gap	**801,961,431**	**524,515,486**	**(211,506,006)**	**(15,874,010)**	**504,825,961**
Contingent liabilities	**766,492,290**	**595,217,953**	**31,949,919**	**124,708,771**	**14,615,647**

Notes to the Financial Statements cont'd

Note 37 cont'd

As at 31 December 2018	Total	Below 3	3 to 6	6 to 12	Above 1
	GH¢	months	months	months	year
Assets		GH¢	GH¢	GH¢	GH¢
Cash and cash equivalents	641,836,054	641,836,054	-	-	-
Non-pledged trading assets	75,718,494	75,718,494	-	-	-
Investment securities	691,417,274	85,051,087	503,895,163	36,367,452	66,103,572
Loans and advances to customers	1,665,284,201	252,583,626	162,815,088	171,138,838	1,078,746,649
Equity investments	2,807,042	-	-	-	2,807,042
Derivative asset	5,380,060	5,380,060	-	-	-
Current tax asset	1,882,766	1,882,766	-	-	-
Other assets	55,447,404	41,626,404	9,214,000	4,607,000	-
Property, plant and equipment	289,214,114	-	-	-	289,214,114
Intangible assets	2,368,983	-	-	-	2,368,983
Total assets	**3,431,356,392**	**1,104,078,491**	**675,924,251**	**212,113,290**	**1,439,240,360**
Liabilities					
Deposits from banks	3,667,371.00	3,667,371.00	-	-	-
Deposits from customers	2,161,382,598.00	448,462,906.00	194,149,173.00	328,219,960.00	1,190,550,559
Borrowings	349,613,405	316,145,493	33,467,912	-	-
Other liabilities	180,059,498	54,017,849	54,017,849	72,023,800	-
Deferred tax liabilities	34,848,620	34,848,620	-	-	-
Total liabilities	2,729,571,492	857,142,239	281,634,934	400,243,760	1,190,550,559
Net liquidity gap	**701,784,900**	**246,936,252**	**394,289,317**	**(188,130,470)**	**248,689,801**
Contingent liabilities	**1,192,994,479**	**737,295,085**	**226,441,077**	**21,816,953**	**207,441,364**

The gap profile is the difference between assets and liabilities which is calculated for each time- bucket. The results of this calculation are stressed and analysed through the internal ALM Report or the Group report Structural risk committee.

Societe Generale Ghana Limited has a large and diversified deposit base which serves as a large part of mid and long-term financing resources.

Notes to the Financial Statements cont'd

Note 37 cont'd

Contractual maturities of undiscounted cash flows of financial assets and liabilities
The table shows a summary of financial assets and liabilities analysed according to their undiscounted contractual terms of the transactions and models of historic client behaviour (models determined with the contribution of the Group), as well as conventional assumptions for some balance sheet items.

As at 31 December 2019	Total	Below 3	3 to 6	6 to 12	Above 1
	GH¢	months	months	months	year
Financial assets		GH¢	GH¢	GH¢	GH¢
Cash and cash equivalents	1,295,640,731	1,295,640,731			-
Non-pledged trading assets	57,523,935	57,523,935			-
Investment securities	95,754,709	78,093,686	1,489,699	5,240,842	10,930,482
Loans and advances to customers	2,972,249,910	642,794,699	299,630,653	466,613,827	1,563,210,731
Equity investments	8,862,900				8,862,900
Derivative asset	-	-	-	-	-
Total financial assets	**4,430,032,185**	**2,074,053,051**	**301,120,352**	**471,854,669**	**1,583,004,113**
Financial liabilities					
Deposits from banks	25,675,390	25,675,390			
Deposits from customers	3,228,781,977	1,257,691,057	410,390,516	408,527,647	1,152,172,757
Borrowings	182,921,653	116,788,312	12,581,684	7,101,827	46,449,830
Total financial liabilities	**3,437,379,020**	**1,400,154,759**	**422,972,200**	**415,629,474**	**1,198,622,587**

As at 31 December 2018	Total	Below 3	3 to 6	6 to 12	Above 1
	GH¢	months	months	months	year
		GH¢	GH¢	GH¢	GH¢
Financial assets					
Cash and cash equivalents	641,836,054	641,836,054	-	-	-
Non-pledged trading assets	75,718,494	75,718,494	-	-	-
Investment securities	712,159,792	87,602,620	519,012,017	37,458,476	68,086,679
Loans and advances to customers	1,848,465,463	280,367,825	180,724,748	189,964,110	1,197,408,780
Equity investments	3,284,239	-	-	-	3,284,239
Derivative asset	5,380,060	5,380,060	-	-	-
Total financial assets	**3,286,844,102**	**1,090,905,053**	**699,736,765**	**227,422,586**	**1,268,779,698**
Financial liabilities					
Deposits from banks	3,667,371	3,667,371	-	-	-
Deposits from customers	2,197,099,115	448,462,906	194,149,173	328,219,960	1,226,267,076
Borrowings	180,059,498	54,017,849	54,017,849	72,023,800	-
Total financial liabilities	**2,380,825,984**	**506,148,126**	**248,167,022**	**400,243,760**	**1,226,267,076**

Notes to the Financial Statements cont'd

Note 37 cont'd

Structural interest rate
The interest rate risk is the incurred risk in case of interest rate variations because of all on-and off- financial position operations, except operations subject to market risks. Global Interest Rate Risk is corresponding to interest rate on the banking portfolio.

The strategic management of liquidity is done at a high level of senior management (ALCO); review of results on weekly basis in line with competition and economic conditions and also ensure that regulatory requirements are met.

The risk management is supervised by the Group. Limits are defined at Group consolidated level and at the level of each Group consolidated entity, and are validated by the Credit Risk Committee. Finance department of the Group is responsible for checking the risk level of Societe Generale Ghana Limited.

Societe Generale Ghana Limited's main aim is to reduce its exposure to structural interest rate risk as much as possible. To this end, any residual interest rate risk exposure must comply with the sensitivity limits set by the Finance Committee. The sensitivity is defined as the variation in the present value of future (maturities of up to 20 years) residual fixed rate positions (surplus or deficits) for a 1% parallel increase in the yield curve (i.e. this sensitivity does not relate to the sensitivity of annual net interest income). The limit for Societe Generale Ghana Limited is within the range of EUR -1.1 and 5.9 million (i.e. between GH¢ -5.83 and 31.25 million) This limit is -1.12% and 6.02% of shareholders' equity in reference to the lower and upper limits respectively.

In order to quantify its exposure to structural interest rate risks, Societe Generale Ghana Limited analyzes all fixed-rate assets and liabilities on future maturities to identify any gaps. These positions come from their maturities.

Once the Bank has identified the gaps of its fixed- rate positions (surplus or deficit), it calculates the sensitivity (as defined above) to variations in interest rates. This sensitivity is defined as the variation of the net present value of the fixed-rate positions for an instantaneous parallel increase of 1% of the yield curve.

Interest rate risk exposure
Interest rate risk exposure is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Bank's exposure to the risk of changes in market interest rates relates primarily to the financial assets and liabilities with variable/floating interest rates. The following table demonstrates the sensitivity to a reasonable possible change in interest rates, with all other variable held constant, of the Bank's profit before tax (through the impact on the floating rate financial assets and liabilities).

Sensitivity of projected increase or decrease in interest rate is analysed below.

31 December	Increase/decrease in basis points 2019		Effect on profit before tax 2019		Effect on equity 2019	
USD	+1%	-1%	8,205,816	(8,205,816)	5,744,071	(5,744,071)
EUR	+1%	-1%	1,655,825	(1,655,825)	1,159,078	(1,159,078)
GHS	+1%	-1%	19,582,617	(19,582,617)	13,707,832	(13,707,832)

31 December	2018		2018		2018	
USD	+1%	-1%	3,917,762	(3,917,762)	2,742,433	(2,742,433)
EUR	+1%	-1%	1,202,318	(1,202,318)	841,622	(841,622)
GHS	+1%	-1%	14,536,098	(14,536,098)	10,175,269	(10,175,269)

Notes to the Financial Statements cont'd

Note 37 cont'd

Market risk
Market risk is the risk of losses being incurred as a result of adverse movements in interest or exchange rates and arises in the Bank's treasury activities.

Market risk is controlled by interest mismatch and foreign currency open position limits approved by the Executive Committee of the Bank and monitored daily. The foreign currency exposure analysis of the Bank is shown in the currency exposure table below.

This risk is managed by the establishment of limits, monitoring of exposures on a daily basis and ensuring that regulatory requirements are met.

The task of the Market Risk Committee is to:

- identify, assess and monitor the market risks generated by transactions made on behalf of:
- the local Financial department (cash, liquid assets, balance sheet hedging) in relation with the Assets and Liabilities Management Committee
- professional customers (companies and institutional investors)
- define and monitor alert procedures
- make sure that the Back Office is really independent of the Front Office.

Exchange rate sensitivity analysis
The Bank's foreign exchange exposures comprise trading and non-trading foreign currency translation exposures. Foreign exchange exposures are principally derived from customer driven transactions. The sensitivity rates used represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for the changes in foreign currency rates. A positive number below indicates an increase in Profit or Equity whilst a negative number indicates a decrease in Profit or Equity. The profits below are the result of a net long exposure in the foreign currency coupled with an increase in the foreign currency rate. The losses on the other hand are mainly due to a net long exposure in the foreign currency coupled with a decrease in the foreign currency rate.

31 December	**Increase/decrease in basis points 2019**		**Effect on profit before tax 2019**		**Effect on equity 2019**	
USD	+1%	-1%	(197,179)	197,179	(138,026)	138,026
GBP	+1%	-1%	25,276	(25,276)	17,693	(17,693)
EUR	+1%	-1%	(183,167)	183,167	(128,217)	128,217
Other currencies	+1%	-1%	20,016	(20,016)	14,011	(14,011)

31 December	**2018**		**2018**		**2018**	
			GH¢	GH¢	GH¢	GH¢
USD	+1%	-1%	60,530	(60,530)	42,371	(42,371)
GBP	+1%	-1%	2,566	(2,566)	1,796	(1,796)
EUR	+1%	-1%	(33,421)	33,421	(23,395)	23,395
Other currencies	+1%	-1%	41,265	(41,265)	28,885	(28,885)

Notes to the Financial Statements cont'd

Note 37 cont'd

Exchange rate sensitivity analysis
The following methods and assumptions used in the computation of sensitivity analysis

i. Foreign currency exposure is assumed to remain at constant values (closing balances at the end of the year).

ii. Use of average exchange rate for the year under consideration.

iii. Use of pre-determined stress levels (relevant range of stress level) based on extreme or worst case scenarios.

iv. There are no changes in the methods and assumptions from the previous periods.

v. The current corporate tax rate is applied in determining the effect on profit and equity.

Currency risk
Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. In Ghana, market activities is mostly affected by movements in the dollar. The cedi has depreciated consistently over the last three years.

The balance sheet of SG Ghana is structured to take the upside of such a depreciating trend. The currency risk of the bank has been stable over a three year period.SG Ghana manages currency risk by monitoring the open currency positions 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 Bank of Ghana requirement that banks maintain a total open position which is not more than 10% of their net worth. Within this limit, banks are also required to maintain single currency open positions not more than 5% of net worth. The bank uses the mid revaluation rates published by the Bank of Ghana at the end of each working day. The year end rates used for foreign exchange translations of the major currencies are as follows: USD - 5.5337, EUR - 6.2114 and GBP - 7.3164.

Currency exposure
The table below summarises the Bank's exposure to foreign exchange rate risks at year- end. The amounts stated in the table are the cedi equivalent of the foreign currencies.

31 December 2019

	USD	GBP	EURO	Others	Total
Assets	GH¢	GH¢	GH¢	GH¢	GH¢
Cash and balances with Bank of Ghana	6,852,179	3,013,824	3,674,457	-	13,540,460
Due from other banks and financial institutions	600,250,269	22,886,210	127,399,835	1,869,587	752,405,901
Other assets	654	269	-	-	923
Loan and advances to customers	723,370,158	358	159,512,834	-	882,883,351
Total assets	**1,330,473,260**	**25,900,662**	**290,587,127**	**1,869,587**	**1,648,830,635**
Liabilities					
Due to other banks and financial institutions	148,630,151	-	27,951,075	-	176,581,226
Due to customers	1,136,169,312	22,512,871	145,087,337	22,771	1,303,792,291
Other liabilities	28,315,951	860,227	136,573,650	361	165,750,189
Total liabilities	1,313,115,414	23,373,098	309,612,062	23,132	1,646,123,706
Net on balance sheet position	**17,357,846**	**2,527,563**	**(19,024,936)**	**1,846,455**	**2,706,929**
Net off balance sheet position	**(37,075,790)**	**-**	**708,737**	**-**	**(36,367,053)**
Net open position	**(19,717,944)**	**2,527,563**	**(18,316,199)**	**1,846,455**	**(33,660,125)**

Notes to the Financial Statements cont'd

Note 37 cont'd

31 December 2018	USD	GBP	EURO	Others	Total
Assets	GH¢	GH¢	GH¢	GH¢	GH¢
Cash and balances with Bank of Ghana	15,774,160	14,134,170	19,073,932	6,497	48,988,759
Due from other banks and financial institutions	8,241,240	5,826,630	86,816,676	4,114,533	104,999,079
Other assets	569,290	677,149	1,154,695	-	2,401,134
Loan and advances to customers	391,776,192	718	120,231,754	-	512,008,664
Total assets	**416,360,882**	**20,638,667**	**227,277,057**	**4,121,030**	**668,397,636**
Liabilities					
Due to other banks and financial institutions	317,046,455	-	30,321,775	-	347,368,230
Due to customers	564,187,582	19,515,424	136,463,089	26,912	720,193,007
Other liabilities	5,738,602	866,479	63,834,317	1,677	70,441,075
Total liabilities	**886,972,639**	**20,381,903**	**230,619,181**	**28,589**	**1,138,002,312**
Net on balance sheet position	**(470,611,757)**	**256,764**	**(3,342,124)**	**4,092,441**	**(469,604,676)**
Net off balance sheet position	**476,664,458**	**-**	**-**	**-**	**476,664,458**
Net open position	**6,052,701**	**256,764**	**(3,342,124)**	**4,092,441**	**7,059,782**

Operational risk
Operational risk is the exposure to financial or other damage arising through unforeseen events or failure in operational processes and systems. Examples include inadequate controls and procedures, human error, deliberate malicious acts including fraud and business interruption.

These risks are controlled and monitored through system controls, segregation of duties, exception and exposure reporting, business continuity planning, reconciliations, internal audit and timely and reliable management reporting. The operational risk environment remains stable over a three year period using the amount loss due to operational lapse. Control measures have have been implemented to prevent future occurrence.

Operational procedures are documented in an operations manual.
The Bank has established and implemented an integrated Operational Risk (OR) framework comprising

(i) Loss Collection policy,

(ii) Key Risk Indicators (KRI) policy,

(iii) Permanent Supervision policy,

(iv) Compliance and anti- money laundering. Policy which set out the organizational structure, overall policy framework, processes and systems for identifying, assessing, monitoring and controlling/ mitigating operational risks in the bank.

Societe Generale Ghana Limited has adopted the Societe Generale Group BCP policy and methodology which is consistent with international standards.

The Bank has also created a comprehensive and independent review of the Business Continuity Planning and Operational Risk processes.

The Operational Risk Committee's task is to identify and assess the impact of operational risks on the smooth running and profitability of the bank, and to define and implement the strategy used to control them by continuously adapting the methods used to bring them into conformity with regulations in force and Societe Generale Group standards.

To achieve this, the committee:

- makes sure that the resources made available to the Operational Risk team are in line with the Bank's level of exposure.
- is responsible for the introduction and satisfactory operation of permanent supervision, and for the bank's Operational Risk control.
- is informed of the main types of operational risks and of the main operating losses recorded over the period.
- monitors the implementation of plans of action intended to correct and reduce Operational Risks.

Notes to the Financial Statements cont'd

Note 37 cont'd

- validates the findings of regulatory exercises (Risk & Control Self Assessment (RCSA), scenario analysis, KRI), introduces and monitors corrective action plans.
- introduces, maintains and tests the BCP and the Crisis management system.
- makes sure that the work done by Permanent Supervision is of good quality and approves its report.
- takes corrective action in the event of a deterioration in the control environment.
- keeps up to date with legislative and regulatory changes, as well as recommendations relating to periodic control.
- drafts and presents its activity report particularly intended for the Audit and Accounts Committee.

Non compliance & reputation risk and the prevention of money laundering
The compliance function ensures that the risks of legal, administrative and/or disciplinary penalties, financial losses or injury to reputation, arising out of or in connection with failure to comply with local legislative and/or regulatory banking provisions, ethics and professional practices, as well as Societe Generale Group instructions, standards and/or processes are identified and controlled. Using incidence of non compliance and fines, the risk of non compliance has been stable over a three year period.

The bank's compliance activity is overseen at a high level by a senior management officer, the Head of Compliance and through the Compliance committee chaired by the Managing Director.

The main tasks of the compliance function are namely:

- to define in accordance with legal and regulatory requirements, the policies, principles and procedures applicable to compliance and the prevention of money laundering and terrorist financing and ensure that they are implemented.
- to ensure that professional and financial market regulations are respected.
- to prevent and manage any potential conflicts of interest with respect to customers.
- to train and advise staff and increase their awareness of compliance issues.

38 Regulatory breaches

During the year under review, the Bank was fined a total amount of forty-eight thousand Ghana cedis (GH¢ 48,000) by the Central bank of Ghana. These fines were levied on the bank because of late notice regarding the appointment of two key management personnel and non-submission of Cyber & Information Security Returns.

39 Segmental reporting

For management purposes, the bank is organized broadly into three operating segments based on products and services as follows;

- Retail Banking - This unit primarily serves the needs of individuals, high net worth clients, institutional clients and very small businesses. It is principally responsible for providing loans and other credit facilities, as well as mobilizing deposits and providing other transactions.
- Corporate Banking -This unit is principally responsible for providing loans and other credit facilities, as well as mobilizing deposits and providing other transactions to the Bank's corporate clients.
- Treasury -This unit undertakes the bank's funding activities. It also manages the liquidity position of the Bank through activities such as borrowings, and investing in liquid assets such as short-term placements and government debt securities.

Management monitors the operating results of each business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects is measured differently from operating profit or loss in the financial statements. The main source of difference is the use of a transfer pricing mechanism in apportioning investment income for the segment.

Notes to the Financial Statements cont'd

31 December 2019

	Retail banking	Corporate banking	Treasury	Total
	GH¢	GH¢	GH¢	GH¢
Revenue				
Interest & similar revenue (3 parties)	215,680,234	238,368,523	-	454,048,757
Interest & similar expense	(49,344,881)	(35,865,833)	(3,024,343)	(88,235,057)
Net interest margin	**166,335,353**	**202,502,690**	**(3,024,343)**	**365,813,700**
Fees & commission revenue	43,260,939	29,927,524	8,411	73,196,874
Fees & commission expense	(21,591,067)	(1,562,957)	-	(23,154,024)
Net commission income	**21,669,872**	**28,364,567**	**8,411**	**50,042,850**
Net trading revenue	9,191,732	25,285,454	39,588	34,516,774
Net income from other financial instruments carried at fair value	367,618	367,618	39,011,224	39,746,460
Other operating income	15,212,042	3,683,979	40,451	18,936,472
Total other operating income	**24,771,392**	**29,337,051**	**39,091,263**	**93,199,706**
Total operating income	**212,776,617**	**260,204,308**	**36,075,331**	**509,056,256**
Net impairment loss on financial assets	(18,598,044)	(36,324,622)	-	(54,922,666)
Personnel expenses	(62,111,711)	(53,102,182)	(8,023,471)	(123,237,364)
Depreciation/ amortisation	**(16,323,162)**	**(14,804,928)**	**(2,052,590)**	**(33,180,680)**
Other operating expenses	((50,585,998)	(61,861,566)	(8,576,632)	(121,024,196)
Total operating expense	**(129,020,871)**	**(129,768,675)**	**(18,652,693)**	**(277,442,239)**
Profit before tax	**65,157,702**	**94,111,010**	**17,422,638**	**176,691,350**
				-
Total assets	**1,691,279,929**	**2,737,953,559**	**14,675,721**	**4,443,909,209**
				-
Total liabilites	**1,622,482,605**	**2,019,465,173**	**-**	**3,641,947,778**

No revenue from transactions with a single customer or counter party amounted to 10% or more of the Bank's total revenue in 2019 or 2018 .All Segment revenue are from external customers only. The Accounting policies of the reportable segments are the same as the Bank. There were no intra company profit for the period under review.

Notes to the Financial Statements cont'd

31 December 2018	Retail banking	Corporate banking	Treasury	Total
	GH¢	GH¢	GH¢	GH¢
Revenue				
Interest & similar revenue (3 parties)	188,442,859	165,309,999	-	353,752,858
Interest & similar expense	(42,246,301)	(33,176,720)	(521,325)	(75,944,346)
Net interest margin	**146,196,558**	**132,133,279**	**(521,325)**	**277,808,512**
Fees & commission revenue	40,446,928	31,100,961	9,058	71,556,947
Fees & commission expense	(16,944,278)	(1,517,226)	-	(18,461,504)
Net commission income	**23,502,650**	**29,583,735**	**9,058**	**53,095,443**
Net trading revenue	14,365,992	14,144,253	12,535	28,522,781
Net income from other financial instruments carried at fair value	312,742	312,742	31,010,602	31,636,086
Other operating income	19,621,956	(8,846,524)	7,791	10,783,223
Total other operating income	**34,300,691**	**5,610,471**	**31,030,928**	**70,942,090**
Total operating income	**203,999,900**	**167,327,484**	**30,518,661**	**401,846,045**
Net impairment loss on financial assets	**(22,501,217)**	**(35,388,148)**	**-**	**(57,889,365)**
Personnel expenses	(66,067,459)	(42,859,349)	(8,048,665	(116,975,473)
Depreciation/ amortisation	(13,303,907)	(7,994,254)	(1,458,062)	(22,756,223)
Other operating expenses	(52,626,805)	(38,492,366)	(7,893,857)	(99,013,028)
Total operating expense	**(131,998,171)**	**(89,345,969)**	**(17,400,584)**	**(238,744,724)**
Profit before tax	**49,500,512**	**42,593,369**	**13,118,076**	**105,211,956**
Total assets	**1,583,398,232**	**1,828,178,935**	**19,779,225**	**3,431,356,392**
Total liabilites	**1,318,186,022**	**1,411,385,470**	**-**	**2,729,571,492**

40 Capital

Capital management

The primary objectives of the Bank's capital management are to ensure that the bank complies with externally imposed capital requirement by Bank of Ghana and that the bank maintains strong credit rating and healthy capital ratios in order to support its business and to maximise shareholders value. The Bank manages its capital structure and makes adjustment to it in the light of changes in the economic conditions and risk characteristics of its activities. In order to maintain or adjust the capital structure, the Bank may adjust the amount of dividend payments to shareholders, return capital to shareholders or issue capital securities. No changes were made in the objectives, policies and processes from the previous years.

a. Capital definition

The Bank's capital comprises stated capital, share deals account, retained earnings including current year profit and various reserves the company is statutorily required to maintain. As a bank, it also has regulatory capital as defined below:

b. Stated capital

This amount is made up of issue of shares for cash and transfers from retained earnings.

c. Income surplus

This amount represents the cumulative annual profits after appropriations available for distribution to shareholders.

d. Revaluation reserve

This amount comprises revaluation of property, plant and equipment.

e. Statutory reserve

This is amount set aside from annual profit as a non-distributable reserve in accordance with regulatory requirements.

The transfer to Statutory Reserve Fund is in compliance with the Banks and Specialized Deposit Taking Institutions Act, 2016 Act 930.

Notes to the Financial Statements cont'd

f. Credit risk reserve
This is amount set aside from retained earnings as a non-distributable reserve to meet minimum regulatory requirements in respect of allowance for credit losses for non-performing loans and advances.

g. Other reserves
This is made up of available for sale reserve on debt securities and available for sale on equity investments. Available for sale reserve on debt securities records unrealized gains and losses on government securities. Available for sale reserve on equity investments records unrealized fair value gains and losses on available for sale equity investments.
Under the IFRS 9 Available for sale assets have been reclassified under Amotised cost and equity investments have been reclassified as fair value through profit or loss.

h. Regulatory capital
Regulatory capital consist of Tier 1 capital, which comprises share capital, share deals account, retained earnings including current year profit, foreign currency translation and minority interests less accrued dividend, net long positions in own share and goodwill. Certain adjustments are made to IFRS-based result and reserves, as prescribed by the Central Bank of Ghana. The other component of regulatory capital is Tier 2 capital which includes revaluation reserves.

j. Capital adequacy
The adequacy of the Bank's capital is monitored using, among other measures, the rules and ratios established by the Basel Committee on Banking Supervision and adopted by the Bank of Ghana. The capital adequacy ratio of the Bank as of 31 December 2019 is shown below:

	2019 GH¢	2018 GH¢
Tier 1 capital	480,824,924	481,738,602
Tier 2 capital	73,607,798	65,134,352
Total regulatory capital	**554,432,722**	**546,872,954**
Total risk weighted assets	**3,680,389,919**	**3,256,717,600**
Common equity tier 1 / RWA	**13.06%**	**14.79%**
Capital adequacy ratio	**15.06%**	**16.79%**

41 Compliance status of externally imposed capital requirement
During the past year Societe Generale Ghana Limited had complied in full with all its externally imposed capital requirements.

Analysis of shareholdings.

Category	Number of shareholders	Number of shares	Percentage Holding %
1-1,000	26,697	8,201,066	1.16%
1,001-5,000	5,278	8,847,227	1.25%
5,001-10,000	916	6,022,395	0.85%
Over 10,000	723	686,070,679	100.0%
	33,614	**709,141,367**	**100.0%**

Notes to the Financial Statements cont'd

42 Subsequent events

There were no major events after the reporting date that materially changed the Bank's position.

43 Value added statement

	2019 GH¢	2018 GH¢
Value added statements for the year ended 31 December 2018		
Interest earned and other operating income	619,821,376	496,225,147
Direct cost	(111,389,081)	(94,405,850)
Value added by banking services	508,432,295	401,819,297
Non - banking income	623,961	26,748
Impairments	(54,922,666)	(57,889,365)
Value added	**454,133,590**	**343,956,680**
Distributes as follows:		
To employees :-		
Directors (without executives)	1,309,833	(893,129)
Executive directors	(2,086,712)	(3,543,870)
Other employees	(121,150,652)	(113,140,572)
To government :-		
Income Tax	(48,149,164)	(43,239,671)
To expansion and growth :-		
Depreciation	(31,877,648)	(21,000,211)
Amortisation	(1,303,033)	(1,756,012)
Other operating cost	(122,334,028)	(97,226,770)
To retained earnings	128,542,186	61,972,284

Notes to the Financial Statements cont'd

44 Twenty largest shareholders

Shareholders account name	Number of holding	% Owned
SG-FINANCIAL SERVICES HOLDING,	427,079,030	60.22
SOCIAL SECURITY AND NATIONAL INSURANCE TRUST,	137,262,404	19.36
OFORI, DANIEL	48,077,441	6.78
SCGN / ENTERPRISE LIFE ASS. CO. POLICY HOLDERS	11,589,540	1.63
AMENUVOR, GIDEON	3,693,934	0.52
SCGN/CITIBANK KUWAIT INV AUTHORITY	3,428,568	0.48
SOCIETE GENERAL EMPLOYEES' SHARE OWNERSHIP	3,348,127	0.47
SCGN/DATABANK BALANCED FUND LIMITED	2,538,447	0.36
ENO INTERNATIONAL LLC,	2,494,761	0.35
SCGN/JPMORGAN BK LUX SA RE ROBECO AFRIKA FONDS N.V, 056898600288	2,193,248	0.31
SCGN/CACEIS BANK RE:HMG GLOBETROTTER	2,125,646	0.30
ADJEPON-YAMOAH, BEATRICE E. MRS	1,982,930	0.28
TEACHERS FUND,	1,746,206	0.25
SCGN/SSB& TRUST AS CUST FOR KIMBERLITE FRONTIER, AFRICA MASTER FUND,L.P-RCKM	1,729,571	0.24
HFCN/ EDC GHANA BALANCED FUND LIMITED	1,381,333	0.19
SCGN/SSB EATON VANCE TAX-, MANAGED EMERGING MARKET FUND	1,345,362	0.19
SCGN/GHANA MEDICAL ASS. PENSION FUND,	1,187,696	0.17
SCGN:ENTERPRICE LIFE, C/O STANDARD CHARTERED BANK GHANA	1,025,922	0.14
MBG ESSPA SCHEME	1,009,233	0.14
MR, PHILIP OPOKU-MENSAH	1,000,067	0.14
Total	**656,239,466**	**92.54%**
Others	**52,901,901**	**7.46%**
Grand total	**709,141,367**	**100.00%**

45

Director	Shareholding
Mrs. Teresa Ntim	**2,490 shares**

PROXY FORM

I/We...

(Block Capital Please)

of.. being member/members of Societe Generale Ghana Limited,

(insert full name)

I/We...

(or failing him/her as my/our proxy to vote for me/us at the Annual General meeting to be held on Thursday 26 March 2020 at 11.00 a.m. and at every adjournment thereof):
Please indicate with an X in the spaces below how you wish your votes to be cast.

	RESOLUTION	FOR	AGAINST
1.	To elect as a non-executive director Georges Wega		
2.	To elect as a non-executive director Arnaud De Gaudesmaris		
3.	To elect as an independent director Martine Hitti		
4.	To elect as an independent director Margaret Sekyere		
5.	To re-elect as a director Agnes Tauty Giraldi		
6.	To receive the accounts		
7.	To declare a final dividend as recommended		
8.	To approved directors Fees		
9.	To authorize the directors to fix the auditors fees		
10.	To change name of the company from Societe Generale Ghana Limited to Societe Generale Ghana Public Limited Company ("PLC")		

Signed this .... day of 2020

Shareholder's Signature...

THIS PROXY FORM SHOULD NOT BE SENT TO THE COMPANY SECRETARY IF THE MEMBER WILL BE ATTENDING THE MEETING
NOTES:

1. A member (Shareholder) who is unable to attend the Annual General Meeting is allowed by law to vote by proxy. The above proxy form has been prepared to enable you exercise your vote if you cannot personally attend.
2. Provision has been made on the form for the Chairman of the Meeting to act as your proxy but, if you wish, you may insert in the blank space* the name of any person whether a Member of the company or not, who will attend the meeting and vote on your behalf instead of the Chairman of the Meeting.
3. In the case of joint holders, each holder should sign.
4. If executed by a corporation, the proxy form should bear its common seal or be signed on its behalf by a Director.
5. Please sign the above proxy form and post it so as to reach the address shown overleaf not later than 48 hours before the appointed time of the meeting.
6. The proxy must produce the Admission Card sent with the notice of the meeting to obtain entrance to the meeting.

RESOLUTIONS TO BE PASSED
AT THE ANNUAL GENERAL MEETING

BOARD RESOLUTIONS
The Board of Directors will be proposing the following resolutions which would be put to the Annual General Meeting:

1. **ELECT DIRECTORS**
   To elect Directors, the following Directors appointed during the year and retiring in accordance with Section 72(1) of the Company's Regulations and being eligible offer themselves for election:-
   - Mr Georges Wega
   - Mr Arnaud De Gaudesmaris
   - Mrs Martine Hitti
   - Mrs Margaret Boateng Sekyere

2. **RE-ELECT A DIRECTOR**
   To re-elect a Director, the following Director retiring by rotation pursuant to Section 88 (1) of the Regulations of the Company's Regulations retire by rotation and being eligible; offers herself for re-election as a director:-
   - Mrs Agnes Tauty Giraldi

3. **RECEIVE THE 2019 ACCOUNTS**
   The Board shall propose the acceptance of the 2019 Financial Statements as the true and fair view of the state of affairs of the company for the year ended 31 December 2019.

4. **DECLARATION OF DIVIDEND FOR 2019**
   In accordance with Section 76 of the Companies Act, 2019 (Act 992) and Section 36(1) of the Regulations of the Bank it is hereby proposed that a final dividend in respect of the financial year ended 31 December 2019 of GH¢ 0.09 per share payable to all shareholders on 26 May 2020 registered in the books of the Company at the close of business on 25 March 2020.

5. **APPROVE DIRECTORS FEES**
   In accordance with Section 185(1)(2) of the Companies Act, 2019 (Act 992) and Section 78(3) of the Regulations of the Bank it is hereby proposed that the Directors remuneration be paid at such a rate not exceeding an aggregate of GH¢ 638,634.53. It is further proposed that the Board of Directors be given the mandate to approve the emoluments of the Executive Director.

6. **AUTHORISATION OF THE DIRECTORS TO DETERMINE THE REMUNERATION OF THE AUDITORS**
   In accordance with Section 140 (1)(a) of the Companies Act, 2019 (Act 992) and Section 54(2) (d) of the Regulations of the Bank, the Board of Directors recommend that the current Auditors Messrs Ernst & Young continue as Auditors of the Company. The Board will request that they fix the fees of the Auditors.

7. **NAME CHANGE OF COMPANY TO SOCIETE GENERALE GHANA PUBLIC LIMITED COMPANY**
   In accordance with Section 21(1)(b) of the Companies Act, 2019 (Act 992) to change the name of the Company to Societe Generale Ghana Public Limited Company.

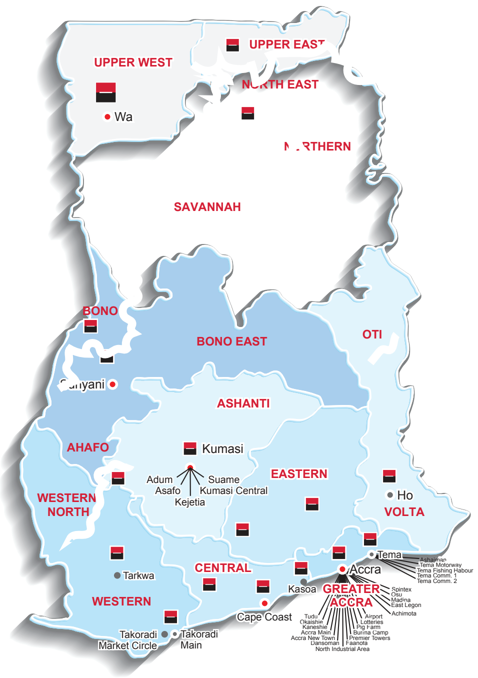
THE REGISTRAR
NTHC LIMITED
MARTCO HOUSE
P. O. BOX KA 9563
AIRPORT
ACCRA

FOLD HERE

FOLD HERE

SOCIETE GENERALE
GHANA

VISIT ANY OF OUR 42 OUTLETS ACROSS GHANA



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Call 0302 208 60
Ext 2023 for enquires about all corporate products

NAME OF BRANCH	ADDRESS	PHONE NO	DIGITAL ADDRESS
GREATER ACCRA			
Accra Main	P. O. Box 13119, Accra	0302 208 600 / 0302911021	GA-047-7257
Accra New Town	P O Box 13119, Accra	0302228515	GA-044-7774
Achimota	P O Box 13119, Accra	0303974818	GA-044-7774
Airport City	P O Box 13119, Accra	0307011347	GL-126-6927
Ashaiman	P.O.Box Co 2885, Tema	0307011518 / 0307011654	GB-018-9776
Burma Camp Spot bank	P O Box 13119, Accra	030 7011525	GL-088-0179
Dansoman	P O Box 13119, Accra	0302 322 547-9	GA-471-9567
East Legon	P O Box 13119, Accra	03022543728/9	GA-288-4215
Faanofa	P O Box 13119, Accra	0302 252500	GA-099-3044
Kaneshie	P O Box 13119, Accra	0302 682 846	GA-263-8749
Kaneshie Market	P O Box 13119, Accra	0303 978422	GA-313-4497
Lotteries Agency	P O Box 13119, Accra	030 2667370/2672610	GA-143-9373
Madina	P O Box 13119, Accra	0577650907 / 0307012922	GM-018-0749
North Industrial Area	P O Box 13119, Accra	0302 229811	GA-171-3067
Okaishie	P O Box 13119, Accra	0577650384 / 5	GA-141-2594
Osu	P O Box 13119, Accra	0302 790384	GA-035-5968
Premier Towers	P O Box 13119, Accra	030 2668650/2667146/2682207	GA-110-5597
Spintex Road	P O Box 13119, Accra	0302 961993	GT-334-3510
Tema Community 1	P O Box Co 2885, Tema	0303218097	GT-021-8907
Tema Community 2	P O Box Co 2885, Tema	0303202558	GT-055-2185
Tema Fishing Harbour	P O Box Co 1668, Tema	030 3204462/3202288	GT-062-1084
Tudu	P O Box 13119, Accra	0577 650 930	GA-142-6841
ASHANTI REGION			
Adum	P O Box 4542, Kumasi	0577 650922 / 0322 025379	
Kumasi Central	P O Box 4542, Kumasi	0577 650972-4	
Asafo	P O Box 4542, Kumasi	032 2049060/2049062	AK-066-4059
Suame	P O Box 4542, Kumasi	0303973691	
Kejetia	P O Box 4542, Kumasi	020 2801070	AK-006-1536
BONO REGION			
Berekum	P O Box 49, Berekum	035 2222261/2222262	
Sunyani	P O Box 1131, Sunyani	0352027050	BS-0006-3640
CENTRAL REGION			
Cape Coast	P O Box 1019, Cape Coast	0332132159	CC-023-6570
Dunkwa	P O Box 64, Dunkwa	0302947741	
Kasoa	P O Box 13119, Accra	0302984479 / 0302963765	CG-0702-0351
EASTERN REGION			
Akim Oda	P O Box 325, Akim Oda	0577650949/50	
Koforidua	P O Box 987, Koforidua	034 2022236/2022778	
NORTHERN REGION			
Tamale	P O Box 192, Tamale	0372023253	NT-0008-6651
UPPER EAST REGION			
Bolgatanga	P O Box 344, Bolgatanga	0382011064	UB-0001-1721
UPPER WEST REGION			
Wa	P O Box 240, Wa	0392022147	XW-0018-3163
VOLTA REGION			
Ho	P O Box HP - 360, Ho	0362026651	
WESTERN NORTH REGION			
Bibiani	P O Box 58, Bibiani	031 2093031/2093032	WB-0001-2569
WESTERN REGION			
Tarkwa	P O Box 219, Tarkwa	031 2320951/2320950	WT-0004-1130
Takoradi	P O Box 660, Takoradi	0577650941	
Takoradi Market Circle	P O Box 660, Takoradi	0312033288	

DIGITAL ZONES			
37 MILLITARY HOSPITAL	P. O. Box 13119, Accra	0302 208600	GA-007-6869
METHODIST UNIVERSITY	P. O. Box 13119, Accra	0302 208600	GA-504-9707
UNIVERSITY OF GHANA	P. O. Box 13119, Accra	0302 208600	GA-419-6620
A&C MALL	P. O. Box 13119, Accra	0302 208600	GA-412-0993

HEAD OFFICE BUSINESS UNITS			
NAME OF DEPARTMENT	**ADDRESS**	**PHONE NO**	GA-048-6249
CORPORATE BANKING	P. O. Box 13119, Accra	0302 208600	GA-048-6249
SME BANKING	P. O. Box 13119, Accra	0302 208600	GA-048-6249
GLOBAL TRANSACTION BANKING	P. O. Box 13119, Accra	0302 208600	GA-048-6249

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