ANNUAL REPORT 2022

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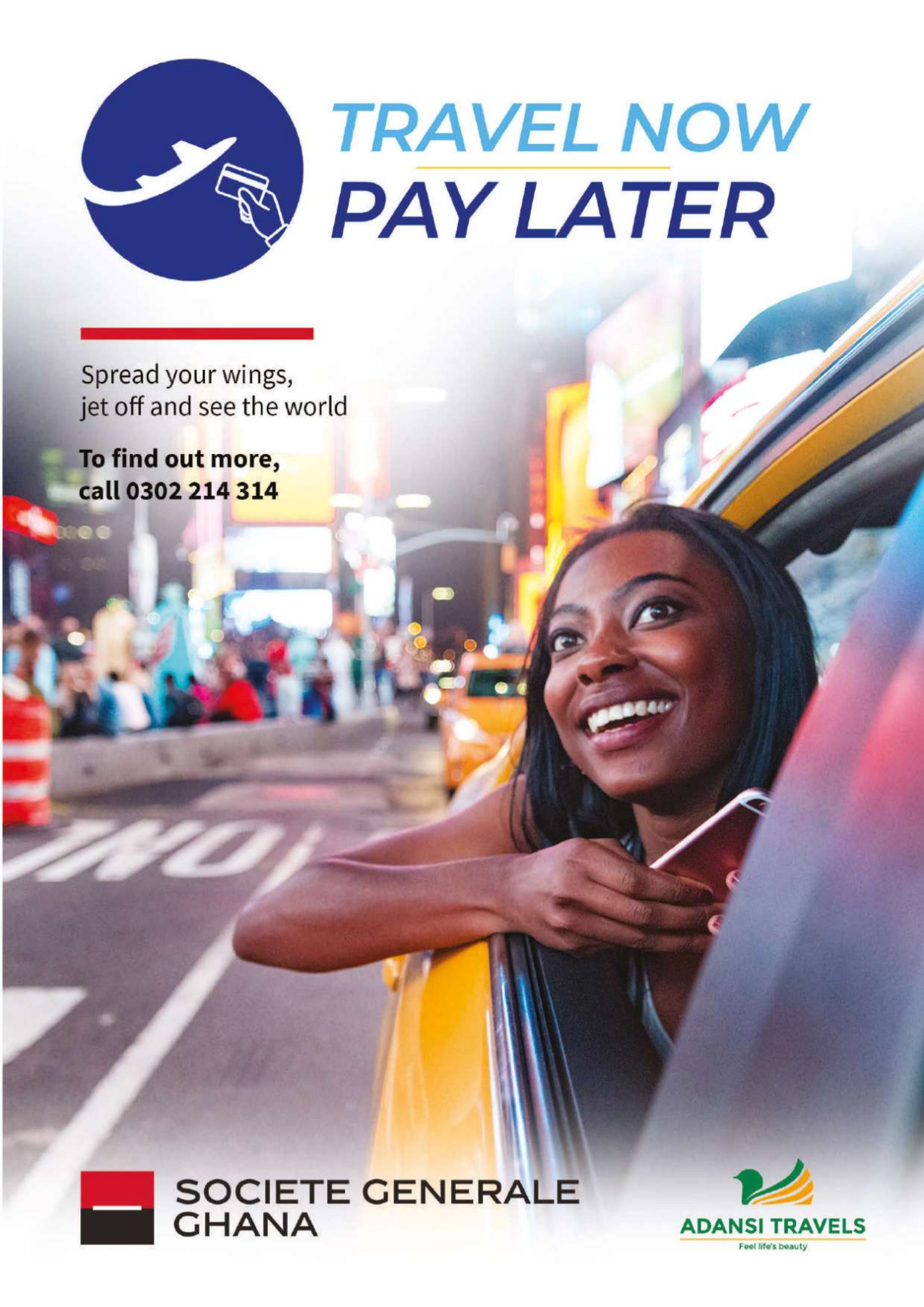
SOCIETE GENERALE GHANA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SOCIETE GENERALE GHANA

2022 ANNUAL REPORT AND FINANCIAL STATEMENTS

2022 Major Events

WE PARTNERED WITH

UNDP partnership to promote innovations and inclusive entrepreneurship in Ghana

African Guarantee Fund partnership to provide financing solutions for SMEs

Denish Export Credit Agency (EKF) partnership to provide funding for CBI Ghana

MANA Mobility collaboration to introduce electronic vehicles

WE LAUNCHED NEW SERVICES

A "travel now pay later" scheme to help customers travel with ease

Launch of two (2) Bancassurance campaigns to support customers

2022 Major Campaigns

Launch of new Boafo loan product

Loans Promotion

Visa Card Promotion

WE ARE ISO/IEC 27001:2013 CERTIFIED

ISO/IEC 27001:2013
MANAGEMENT SYSTEM
PECB MS
CERTIFIED

Demonstrating trust and credibility.
SG Ghana is ISO/IEC 27001:2013 certified

TABLE OF CONTENTS

OUR PURPOSE AND VALUES IN THE SERVICE OF OUR CLIENTS

OUR PURPOSE

Building together with our clients, a better and sustainable future through responsible and innovative financial solutions.

OUR MISSION STATEMENT

The Bank's mission is to create the preferred banking institution, which employs team spirit, innovation, responsibility and commitment to provide quality products and services that best satisfy the needs of our customers.

OUR VALUES: TEAM SPIRIT, INNOVATION, RESPONSIBILITY AND COMMITMENT

Team Spirit: is characterised by a sense of service which is intended to make Societe Generale Ghana the leading customer relationship bank and making listening to customers and all other stakeholders, information sharing and solidarity as well as cooperation and internal pooling of resources its main priority.

Innovation: which is providing added value and greater simplification to serve clients with a framework that takes into account reputational risk.

Responsibility: that consists of taking decisions quickly to meet the needs of clients and the organisation without sacrificing their long-term objectives. It also involves having the courage both individually and collectively to take responsibility for actions and decisions and finally attaching as much importance to results as well as consequences of decisions for all stakeholders.

Commitment: which makes it possible to make a difference and to contribute to the success of clients and the Bank thereby resulting in a high level of service and performance.

OUR PURPOSE

Helping our clients build the future

We reaffirm the importance of our role as bankers which is to help our clients invest in a more sustainable future. By supporting their projects and helping them grow, we are firmly committed to those who move the world forward.

A trusted partner

Societe Generale Ghana puts value creation for its customers at the heart of its business model, placing itself alongside entrepreneurs growing their businesses and developing their projects. The Bank offers added value in every aspect of its business and in each of its business lines:

- making life easier for our customers: assisting our customers by providing them with the right service at the right time, combining the best that humans and digital technology have to offer;
- advising: putting our expertise to work for all customer segments by tailoring our support to the issues facing each one of them;
- connecting people and businesses: creating a link between those who have projects and those who can help them;
- using our resources responsibly: putting our balance sheet to work to help those who want to invest;
- evaluating and managing risks: managing risks in a rigorous and responsible manner over the long term;
- safeguarding interests: undertaking a commitment to respect and protect everyone's interests while aiming for the highest standards of security and quality of service.

Customer satisfaction: A priority

Customer satisfaction is regularly measured and has increased or remained steady at a high level in all our business lines. The Bank has adopted a structured approach to monitor customer satisfaction using a range of tools: opinion surveys, surprise visits, questionnaires and net promoter score ratings. A formalized process to address complaints by our quality team is in place with the protection of our clients being at the forefront of all our operations. We are committed to safeguarding their interests, particularly in light of the growing risks associated with cybercrime.

Corporate culture and ethics

For Societe Generale Ghana, instilling a culture of responsibility based on strong values, notably through our Code of Conduct, means observing the highest standards of integrity and behaviour in all business lines and countries where we operate. The Bank has established ethical principles and ensures that all our staff comply with them. As a responsible employer, we are committed to ensuring the respect of human rights and implement appropriate measures in instances where our principles are not adhered to.

Expertise and skills

The Bank pays particular attention to the quality of our dialogue with staff representative bodies, especially with respect to addressing the challenges of changing business and employment trends. Anticipating the Bank's business needs, hiring and helping our staff develop their careers, particularly through training and internal professional mobility and promotions, are essential for attracting and retaining talent and strengthening staff loyalty.

Diversity and inclusion

Building a company that is inclusive and reflects the diversity of its customers is one of the Bank's key ambitions. Above and beyond regulatory obligations, Societe Generale treats diversity and inclusion for all as strategic issues for today and tomorrow, and takes proactive steps in this regard.

Our purpose and values in our clients cont'd

Performance and compensation

To attract and retain talents, Societe Generale Ghana implements an attractive and fair pay policy, which recognizes each staff member's contribution to the Bank's performance while ensuring the appropriate management of risks.

Health and safety

Societe Generale Ghana is committed to developing a respectful and safe working environment to enable every one of its staff members to work in conditions that are positive for their health and well-being, in particular by promoting the appropriate work-life balance.

NOTICE AND AGENDA FOR ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 43rd Annual General Meeting ("AGM") of the Shareholders of Societe Generale Ghana PLC ("the Company") will be held VIRTUALLY and streamed live on https://sgghanaagm.com from the Head Office of Societe Generale Ghana PLC on Friday 29 September 2023 at 11:00am to transact the following business:

ORDINARY BUSINESS: ORDINARY RESOLUTIONS

1. 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 2022
2. To re-elect Directors
3. To approve Directors' fees
4. To authorize the Directors to determine the remuneration of the Auditors

SPECIAL BUSINESS: SPECIAL RESOLUTIONS

5. To amend the constitution of the Company to comply with the Ghana Securities & Exchange Commission Directive for the discontinuation of the usage of dividend warrants as a means of dividend payment.

Dated, this 27 day of April 2023.

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BY ORDER OF THE BOARD
ANGELA NANANSAA BONSU
THE SECRETARY

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.

+233 302214314
sgghana.info@socgen.com
www.societegenerale.ghana.gh
@societegenerale.ghana
Societe Generale Ghana
@SG_Ghana

CORPORATE INFORMATION

BOARD OF DIRECTORS			DATE APPOINTED
1. Margaret Boateng Sekyere	-	Board Chair Independent Non-Executive	15 September 2020
2. Hakim Ouzzani	-	Managing Director	23 January 2017
3. Laurette Korkor Otchere	-	Non-Executive	6 September 2017
4. Agnes Tauty Giraldi	-	Non-Executive	1 October 2018
5. Georges Wega	-	Non-Executive	16 August 2019
6. Arnaud De Gaudemaris	-	Non-Executive	16 August 2019
7. Fosuhene Acheampong	-	Non-Executive	3 June 2020
8. Francis Awua-Kyerematen	-	Independent Non Executive	23 February 2021
9. Juliana Asante	-	Independent Non-Executive	8 November 2021
10. Yvon Puyou	-	Non-Executive	24 January 2022
11. Peggy Dzodzomenyo	-	Independent Non-Executive	30 June 2022
12. Arthur Bright	-	Non-Executive	1 July 2022

COMPANY SECRETARY

Angela Nanansaa Bonsu
Societe Generale Ghana PLC
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

Deloitte & Touche
The Deloitte Place, Plot No. 71
Off George Walker Bush Highway
North Dzorwulu
Accra, Ghana

REGISTRARS

NTHC Limited
NTHC House
18 Gamel Abdul Nasser Avenue
Ringway Estate Accra
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

MARGARET BOATENG SEKYERE (Chairperson)

EXECUTIVE DIRECTOR

HAKIM OUZZANI (Managing Director)

INDEPENDENT NON-EXECUTIVE DIRECTOR

FRANCIS AWUA-KYEREMATEN (Member)

JULIANA ASANTE (Member)

PEGGY DZODZOMENYO (Member)

NON-EXECUTIVE DIRECTORS

GEORGES WEGA (Member)

AGNES TAUTY GIRALDI (Member)

LAURETTE OTCHERE (Member)

ARTHUR BRIGHT (Member)

ARNAUD DE GAUDEMARIS (Member)

FOSUHENE ACHEAMPONG (Member)

YVON PUYOU (Member)

BOARD SECRETARY

ANGELA NANANSAA BONSU (Company Secretary)

Profile Of The Board Of Directors cont'd

Margaret Boateng Sekyere: Board Chair. 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 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. Bank of Ghana further approved her appointment as Board Chair on 15 September 2020.

Hakim Ouzzani: Managing Director. 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. 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. From 2000 to 2002, he managed the Corporate Branch of the Union Bank Brokerage. From 2012 to 2016, he was the CEO of Societe Generale Chad.

He also held various positions within Societe Generale as Group Deputy General Manager SG Algerie, Network and Sales Manager SG Algerie and Network Development Manager SG Algerie. 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.

Georges K. T. Wega: Non Executive Director. He holds an Engineering degree and a Master's degree in Industrial Engineering from the University of Quebec, Canada. His career spans over 22 years' having worked in several capacities in organizations around the world. He has acquired a long span of industrial and banking experience during his career. Mr Wega is the Deputy Head of International Retail Banking for Africa, the Mediterranean Basin & Overseas (Societe Generale). Among the places he has worked are Postes Canada (Ottawa), General Electric (Brussels and Amsterdam), Barclays Bank PLC in London and United Bank for Africa (UBA Nigeria). He also served as the Chief Executive Officer of UBA Cameroon for 4 years. He then joined Societe Generale in 2014 as Deputy CEO of Societe Generale Cameroun, before being appointed Chief Executive Officer of Societe Generale Senegal in August 2016. He was nominated to the Board of Directors on 22 November 2018 with Bank of Ghana granting approval on 16 August 2019.

Laurette Korkor Otchere: Non Executive Director 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: Non Executive Director. 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 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.

Arnaud De Gaudemaris: Non Executive Director. 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 about 14,000 staff. He is responsible for the organization of strategy preparation meetings, internal management meetings

Profile Of The Board Of Directors cont'd

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.

Fosuhene Acheampong: Non Executive Director. He is a chartered accountant by profession and holds an MBA in Finance from the Lagos State University and a Bsc in Accounting from the University of Lagos. He is currently the Director of Finance and Administration at the Cedar Seal Company Limited. From 2001-2004, he was the Audit Manager at Deloitte & Touche . He was the Chief Internal Auditor at the Minerals Commission from 2004-2005 and went on to become the Director of Finance from 2005 - 2006. From 2010 to 2016, he held the following positions in the Access Bank Group; Head Business Banking and Regional Head Western Region. Before the name change to Access Bank, Mr Acheampong worked as Area Manager of Intercontinental Bank for the Western and Ashanti Regions from 2008 to 2010.

From 2010 to 2012, he was the Group Head Marketing Division Retail of Intercontinental Bank. He also worked with the Bank as Head of Loan Recovery. He was nominated to the Board in April 2020 with Bank of Ghana granting approval of the said nomination on 3 June 2020.

Francis Awua-Kyerematen: Independent Non-Executive Director. He is a Fellow of the Association of Chartered Certified Accountants. He holds a Master of Business Administration from the University of Chicago Business School and a Bachelor of Arts Honours Degree in Accounting and Finance from the Middlesex University London UK. From 1997 to 1998, he served as the Senior Corporate Finance and Recovery Associate at Grant Thornton Ipswich Office ,UK . He also worked as a Senior Compliance Accountant for HM Revenue Customs in the UK from 1998 to 2003. Prior to moving to Ghana, he was with Citigroup in the London Office responsible for Debt Capital Markets – Middle East & African Desk from 2005 . Mr Awua-Kyerematen also worked as the Country Director for Citibank Ghana from 2008 to 2016. He is currently the Principal Advisor and Managing Director for Winchmore Capital. Mr Awua-Kyerematen was nominated to the Board 14 December 2020 with Bank of Ghana granting approval to the said nomination on 23 February 2021.

Juliana Asante: Independent Non-Executive Director. She is a fellow of both the Institute of Chartered Accountants, Ghana (ICAG) and the Association of Chartered Certified Accountants (ACCA) UK. She holds a Masters in Organisational Change and Development from the University of Manchester (UK), and a Certification in Sustainability for Finance. She has a proven record of success in the origination, development, implementation and improvement of financial accounting and risk management, having held positions such as Senior Audit Manager at Deloitte and Senior Finance Manager at The Central Manchester and Manchester Children's University NHS Trust (UK).

Since leaving Deloitte in 2002,Juliana has been in private practice providing financial management, assurance, advisory and consultancy services through INTEGRITAS, She has also served as an independent consultant on financial, risk and change management to the public, private and third sectors. She currently provides Advisory and Learning & Development upskilling for transformational financial reporting interventions in the Energy, Mining, Educational and Service Sectors. She continues to serve the Institute of Chartered Accountants, Ghana, (ICAG) on various technical committees and has recently been nominated to ICAG's newly formed statutory Accounting Practice Review Committee (APRC).

Yvon Puyou: Non-Executive Director. He holds a Master of Business Administration from EDHEC Sophia Antipolis France and a Master's Degree in Computer Science from the Ecole Centrale de Marseille- Marseille, France. He held the position of Regional Head of Information Technology ,SG Singapore from 1995 to 2000. From 2000 to 2003, he held the position as Senior Executive Director (Member of the Executive Committee) of SG Private Banking (Switzerland) S.A.Geneva, Switzerland . Mr. Yvon Puyou was the Global Chief Information Officer at SG Private Banking, Paris France from 2003 to 2005. He was the Head of Global IT, Head for Core Banking System, Risks and Finance solutions, Societe Generale Paris France from 2005 to 2009. He held the position of Chief Information Officer, Societe Generale Prague Czech Republic from 2009 to 2015. He was the Chief Operating Officer for Societe Generale Splitska Banka from 2015 to 2017. He is currently the Chief Information Officer at Societe Generale African Mediterranean& Overseas. Mr. Yvon Puyou was nominated to the Board of Directors on 14 September 2021 with Bank of Ghana granting approval for the appointment on 24 January 2022.

Peggy Osei-Tutu Dzodzomenyo: Independent Non Executive Director. She holds a Master of Business Administration in Finance from the University of Cape Coast and a Bachelor of Commerce and Diploma in Education from the University of Cape Coast. She worked with the Bank of Ghana for 31 years in various departments and capacities. She was the Administrative Officer/ Head of Refurbishing Unit, Estate Department from 1987 to 1992 and a Finance Analyst at the Banking Supervision Department from 1992 to 2002. She was the Head of the Foreign Exchange Unit from 2002 to 2010 as well as Head of the Accra Branch of the Bank of Ghana from 2010 to 2015. Additionally, she was the Head of the Domestic Banking Office from 2015 to 2016 and finally, Director of Banking Department from January 2017 till she retired. She was appointed on 30 June 2022.

Arthur Bright: Non Executive Director. He holds a Master of Business Administration in Finance and Financial Management Services from the Edinburgh Business School. He is the Chief of Staff at Societe Generale African Mediterranean and Overseas. He was a Managing Executive at Société Générale Paris. Over the years, he has gathered experience in managing cross-functional teams and driving business transformation. He has occupied positions such as Director, Chief of Staff for Africa, Mediterranean Basin & Overseas, Director, Head of Innovation SG Cameroon, Director, Head of Retail Banking, Wealth Management & Business Banking and Director, Head of Global Transaction Banking. Before joining the Group, Bright worked with the United Bank for

KEY MANAGEMENT PERSONNEL

Africa as a Senior Manager (Operations, E-banking, Transaction Banking, Retail and Corporate) and at Eccam Consulting as the Head of Business Development (Civil Engineering). He was appointed on 1 July 2022.

Hakim Ouzzani: Managing Director. 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. 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. From 2000 to 2002, he managed the Corporate Branch of the Union Bank Brokerage. From 2012 to 2016, he was the CEO of Societe Generale Chad. He also held various positions within Societe Generale as Group Deputy General Manager SG Algerie, Network and Sales Manager SG Algerie and Network Development Manager SG Algerie. 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.

Francois Pousse: Deputy Managing Director. He holds a Master of Science in Finance and Economics from the London School of Economics (UK) and from Ecole Nationale des Ponts et Chaussées (FR). Prior to his appointment in SG Ghana, he worked for Inspection Generale at Societe Generale Head Office in Paris for 9 years, where he performed and supervised audit and strategy consulting assignments for the top Management of the Societe Generale Group. He has worked in various fields in the banking sector such as IT transformation in retail banking, market risk on equity derivatives and anti-money laundering. Working in diverse business environments such as Southern France, Hong-Kong, Burkina-Faso, the UK and USA has added to his wealth of knowledge. He eventually became one of the Managing directors at Inspection, with shared oversight over a team of about 120 people made up of Inspectors, data scientists and support staff directly reporting to Global Head of Inspection. Mr Pousse is also the Treasurer of the Chamber of Commerce and Industry France – Ghana (CCIFG).

Kwame Abbey: Deputy Managing Director in charge of Support Functions and Operations. He is a professionally qualified member of the Chartered Institute of Management Accountants as well as a Chartered Banker with the requisite professional qualification. He holds an Honours Degree BSc. (Hons.) in Mechanical Engineering from the Kwame Nkrumah University of Science & Technology, Kumasi. Kwame Abbey began his career in 1999 at Japan Motors as a Service Coordinator and moved to Mechanical Lloyd in January 2000 as a Sales representative. In the year 2000, he joined Societe Generale Ghana as a Relationship Officer with the Corporate Banking Department. Since then, he has held positions such as Senior Credit Analyst, Head Credit Administration and Head Business Credit Administration and Leasing. In July 2010, he was promoted to Head, Credit Risk and subsequently appointed the Chief Risk Officer of Societe Generale Ghana in 2015. Mr. Kwame Abbey until recently, was the Chief Risk Officer for the Central and East Africa (SG AFCE) region located in Douala, Cameroon.

Bernice Allotey: Chief Operating Officer. She holds an Executive Masters in Business Administration (Finance) and BSC in Computer Science and Statistics both from the University of Ghana, Legon. She is a proven Project/Programme Manager and a Lean Six Sigma Green belt trained. Over her 24 years' experience in the Banking Industry, she has built strong expertise in Project/Change Management, delivering and overseeing strategic projects that cuts across all the various functions in the Bank ; Project Portfolio Management, Information System Management, Business Process Management and Banking operations. Before her appointment as the Chief Operating Officer, she was the Head of Organization and Projects in Societe Generale Ghana from 2008 to 2018 and was responsible for the implementation of the bank's Project Portfolio by ensuring overall alignment of the organizational structures to the business strategy. As the Chief Operating Officer, she now oversees the following strategic departments; Organization and Projects, Information Systems & Technology, Information security, Operations, Logistics and Physical Security.

Angela N. Bonsu: Company Secretary General Manager. Ms Bonsu holds a Master of Business Administration from the Middlesex University Business School, London and an honours degree in Law from the Birkbeck College, University of London. She is a professionally qualified member of the Institute of Directors Ghana. Ms Bonsu holds an ACAMS Certification for Anti-Bribery and Corruption. 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, she also has oversight responsibility for the Legal Department, Environmental & Social Management Systems, Sustainable Development & Corporate Social Responsibility. She furthermore has oversight responsibility for the Permanent Control Department.

Felix Adjaku: Chief Finance Officer. He is a fellow of the Association of Chartered Certified Accountants (ACCA) UK and holds a Bachelor's degree in Sociology from the University of Ghana. Felix has worked in various departments of the

Key Management Personnel cont'd

bank namely Corporate banking as a Credit Analyst, Treasury Department as an Assets and Liability Management Officer and as a Branch Officer with the Retail Banking Department. Before being appointed the Chief Finance Officer, he was the Head of Financial Reporting and Performance Measurement. Felix has over 10 years' experience in banking.

Pierre Glemot: Chief Risk Officer. He has a Master's Degree in Economic Development and International Economics from Maxwell School, Syracuse University, Syracuse, New York, USA. He holds a Bachelor of Arts (Cum Laude) double major in Spanish and Economics from Millsaps College, Jackson, Mississippi, USA. He is an experienced professional in retail banking and risk management with a track record in diverse environments as well as proven strong adaptation and innovative capabilities. His experience and achievements include; extensive banking experience gained in diverse geographies, successful implementation of innovative ideas for cost optimization and process efficiency. Since joining the Societe Generale Group, he has held positions such as Risk and Collection Director, Societe Generale Burkina Faso; Risk Manager, Societe Generale France and Chief Risk Officer Societe Generale Serbia and Seabank, Vietnam. His other positions include Client Manager (International companies) and SME Manager, SG Expressbank Bulgaria, Risk Director, SGMB Morocco, Corporate Trader and Credit Risk Analyst Societe Generale, France. He was appointed on 7 October 2022 after approval from Bank of Ghana.

Abena Asare-Menako: Chief Compliance Officer. She holds a Masters' degree in Finance from University of Leicester, U.K. and is an Associate of the Chartered Institute of Bankers, Ghana and the Chartered Institute of Marketing, U.K. Abena is also a Certified Anti-Money Specialist (CAMS) and a Certified Global Sanctions Specialist (CGSS). She is an experienced banking professional with expertise in Training, Resource Management, Retail Banking, Business/Corporate Banking, Sales, Marketing, Relationship Management, Card and POS (Payments) Management, Banking Operations, Operational Risk, Project Management, AML and Compliance Management. She possess excellent interpersonal, analytical, and organizational skills with the ability to excel within highly competitive environments where leadership skills are the keys to success. She is an effective manager with the proven skills necessary to direct, train, and motivate human resource to its fullest potential while also possessing a strong capacity to focus on strategic intent with revenue generation and management of cost. She is responsible for the Bank's Financial Crime and Regulatory Compliance topics, ensuring the Bank complies with all relevant anti-money laundering regulations and all other regulatory obligations.

Catherine Johnson: General Manager Treasury and Global Markets. 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. 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.

Obed Hoyah: 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' experience in the industry both in Ghana and the USA, where he started his banking career.

Daniel Kwesi Sarpong: Head, Corporate Coverage. He holds a degree in Commerce from the University of Cape -Coast, an International MBA from the Paris Graduate School of Management, Paris and is a certified member of the Chartered Institute of Bankers. Daniel began his career 22 years' ago as a Banking Officer with Merchant Bank Ghana Limited (Now Universal Merchant Bank) in June 2000 and worked in the Bank's Kumasi and Bibiani branches as an operations officer. He left Merchant Bank in September 2003 to join Stanbic Bank Ghana Limited as a Manager in charge of Corporate and Investment Banking in Kumasi. In May 2011, he was appointed a Senior Manager in charge of Soft Commodities and Healthcare within Corporate and Investment Banking at the Stanbic Bank Head office in Accra. He joined Fidelity Bank Ghana Limited in July 2012 as the Head of Corporate Banking for the Northern Sector.In February 2015, he joined Societe Generale Ghana and served as the Deputy Head of Corporate Client Coverage and Head of Corporate Banking.Mr Sarpong was appointed Head of Corporate Client Coverage in September 2022.

Mildred Caesar : Head, Human Resource Management. She holds an ACIB from the Chartered Institute of Bankers, an MBA in Finance from the University of Ghana, Legon, a BSc (Hons) Planning, Kwame Nkrumah University of Science and Technology (KNUST) and an HR Strategic Leadership certification from the Cornell University. She is a certified HR Manager (CHRM Member) who also holds an International Association of Business and Financial Management(IABFM) certification. She is a professionally qualified SHRM Member and an associate member of IHRMP. Mildred Caesar joined

Key Management Personnel cont'd

Societe Generale Ghana from Standard Chartered Bank where she worked for over 6 years. She was the Employee Relations Manager in charge of 5 Countries in West Africa (Cote D'Ivoire, Ghana, Sierra Leone, The Gambia and Cameroun). Prior to this role, she was the Senior Human Resource Business Partner at Standard Chartered Bank for 4 years. Mildred Caesar has over 23 years' experience in General Management, Human resource Management, Employee Relations and Finance in various Multinational Organizations. She also worked as the Group Human Resources Manager with Puma Energy Services/UBI Group. She has also worked as the area HR Manager for DHL International and HR Manager at Huawei Technologies.

Frank Lawoe: Head, 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.

Lavana Gwira Tamattey: Head, Permanent Control. She holds a degree in Economics & English and a Master of Business Administration (Finance) both from the University of Ghana. She is a banker with thirty years' experience spanning various departments in Societe Generale Ghana PLC. She has served as Branch Manager for three distinct branches over the years. During the AKOBEN project, which saw the Bank change its banking software from Flexcube to Amplitude from 2007 to 2009, she worked as the Front Office Business Line Manager (Retail Banking). In 2010, she was appointed as Head of Marketing and was responsible for the sale of Institutional Loans, Management of the Contact/Call Centre, Communication on Products & Services, and Branding. Other capacities in which she has worked from 2012 to 2019 include Deputy Head, Retail Credit Monitoring, Head, Retail Credit Administration and Head, Retail Operations.

She was transferred to the Permanent Control Department as Head, Operational Risk in December 2019. She was appointed Acting Head of the department in June 2021. She is currently responsible for Operational Risk assessment and management, Level 1 Permanent Control Implementation and Business Continuity Management. She is also entrusted with the responsibility of overseeing the quality of Customer Files within Societe Generale Ghana as defined by the Group and local Regulators. She was appointed as Head Permanent Control on 1 February 2022.

Lawrence Ribeiro: Head, 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 twenty-two 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.

Adwoa Asieduaa Ntirakwa: Head Organisation & Projects. She is a product of the University of Ghana Business School with a BSc in Banking and Finance and a Master of Business Administration (Project Management Option) from the Ghana Institute of Management and Public Administration. She is also a professionally qualified member of 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 the Prism Methodology. Adwoa has 16 years' experience in Banking in the areas of Retail Banking and Project Management. In her current role as the Head of Organization and Projects, she is responsible for the Bank's Project Management Portfolio and Methods/ Procedures, ensuring that Projects are delivered for the Banks Functional Teams in line with their Business strategy.

Elikplim Muzzu: Head, Marketing Multichannels and Quality. He holds a Master's Degree in International Affairs from the University of Ghana, Legon's Centre for International Affairs and Diplomacy in addition to a Master's Degree in Business Administration from GIMPA. Mr Muzzu is a seasoned, multi-disciplinary marketing management, corporate communications and change management executive with over 22 years proven record of growing lasting brands and managing multi-million dollar projects across Ghana. With a passion for brands, a strong business judgement and interpersonal skills, he has successfully managed many client projects and developed many a successful brands on the local market and in the process, turning these brands into profitable and successful businesses. A consummate professional, he has within the last decade and a half worked within the Ghanaian banking industry and held senior executive roles in United Bank for Africa (UBA) Ghana Limited and First Atlantic Bank Limited, responsible for Marketing, Corporate Communications and Service Quality. He also worked at Barclays Bank Ghana Limited where he served as the Programme Manager for Brand and Name Change during the bank's brand transition to Absa Bank Ghana Limited.

BOARD CHAIR'S STATEMENT

Distinguished Shareholders, I am delighted to welcome you to our 43rd Virtual Annual General Meeting and to present to you the Annual Report and Audited Financial Statements of your Company for the financial year ended 31 December 2022. Your Company's financial performance remained solid within the context of a challenging macro-economic enviroment in the year

- Global Macro-economic Environment
- Operating Environment
- 2022 Operating Results
- Share Performance
- Board of Directors
- Corporate Governance
- Outlook for 2023
- Appreciation

Global Macro-economic Environment
The year started with a positive medium-term outlook for the global economy. The negative repercussions of the outbreak of new variants of COVID 19 were expected to diminish, leading the global economy back onto the path of recovery.

However, the Russian invasion into Ukraine in late February destabilized the already weakened global economy, worsened its prospects, and set it back into relapse. Global output had been severely impacted by supply chain bottlenecks in China due to pandemic-related lockdowns. The war exacerbated the problem as supply disruptions of energy, metals and food became more apparent.

Cost of living has also increased further during the year as a result of these shocks. In fact, some economies have recorded the highest levels of inflation in over 40 years. In an attempt to control this, central banks have implemented tighter monetary policies which have led to elevated interest rates and its consequent effects on consumption and investment.

The occurrences in the global macro-economic environment have had its toll on many emerging and developing economies. For example, the monetary tightening policy in the US and the subsequent sharp appreciation of the US dollar has significantly contributed to the cost-of-living crisis faced in many of these countries.

According to the International Monetary Fund (IMF), the global economy appears poised for a gradual recovery from the powerful blows of the pandemic and of Russia's unprovoked war on Ukraine. China is rebounding strongly following the reopening of its economy. Simultaneously, the massive and synchronous tightening of monetary policy by most central banks should start to bear fruit, with inflation moving back toward its targets. In its latest forecast, global growth will bottom out at 2.8 percent in 2023 from the estimated 3.4 percent growth in 2022 before rising modestly to 3.0 percent in 2024. Global inflation will decrease, although more slowly than initially anticipated, from 8.7 percent in 2022 to 7.0 percent this year and 4.9 percent in 2024.

Operating Environment
In Ghana, the economy was not spared the shocks of the global external environment. Inflation soared during the year as the pass- through effects of the depreciation of the currency and supply disruptions affected fuel, food and other commodity prices. Headline inflation stood at 54.3 percent at the end of the year compared to 12.6 percent at the same time last year.

The high inflation levels, together with the currency depreciation, tighter monetary conditions (high interest rates) and general uncertainty led to low levels of business confidence and private consumption. This led to a moderation of economic growth. The latest data from the Ghana Statistical Service showed an annual Real GDP growth rate of 3.1 percent during the last quarter of the year, compared to 5.4 percent in the previous year.

The depreciation of the Ghana cedi against the major trading currencies during the year was due to many interrelated factors. The increase in the US Federal rates as part of monetary tightening policies led to portfolio reversals and exit of non-resident investors from the Ghanaian bond market. This situation was worsened by the Sovereign downgrades of international rating agencies leading eventually to the country being cut off from the international capital market. Locally, the increased demand for foreign currency was fueled mainly by high import bills and general speculation, which led to a preference for foreign currency holdings over Ghana cedi denominated assets. At the end of December, the Ghana cedi had depreciated by 30%, 25% and 21% against the Dollar, Euro and the British Pound respectively.

Given the general economic conditions and the inflationary risks, the central bank embarked on a monetary tightening policy over the course of the year. The Monetary Policy Rate was increased by an overall 12.5 percentage points from 14.5 percent in Dec 2021 to 27 percent in Dec 2022. The money market consequently reflected this in rising interest rates across the entirety of the yield curve.

On the fiscal side, provisional data shows a higher fiscal deficit than originally anticipated due to revenue shortfalls and expenditure overruns. According to the Bank of Ghana, the fiscal deficit as at December 2022 stood at 8.1 percent of GDP against a revised mid-year target of 6.3 percent of GDP. The revenue shortfall was due to challenges inherent in the conceptualization and implementation of new revenue measures, whiles government expenditure increased significantly mainly due to higher interest payments. A majority of the deficit was financed from domestic resources as the country had been practically cut off from international markets after the country's sovereign rating downgrades. Consequently, the country's stock of public debt increased to 93.5 percent of GDP as at November 2022, compared with 76.6 percent of GDP at the end of December 2021.

On the external front, the trade surplus more than doubled this year due to a significant growth in export earnings on account of increases in commodity prices relative to the growth in imports. This led to a reduction in the current account deficit. However, the net Capital and Financial Account outflows over the year caused by global and local economic conditions led to an overall Balance of Payments deficit of USD 3.6billion (5 percent of GDP) in 2022 compared with a surplus of USD 510.1 million (0.6 percent of GDP) the previous year, according to the Bank of Ghana.

Developments in the banking sector broadly reflected the challenging operating environment in 2022 on account of macroeconomic conditions, and the recent implementation of the Domestic Debt Exchange Programme (DDEP) which all 23 universal banks participated in. According to Bank of Ghana, its preliminary assessment of the impact of the DDEP on the banking sector, based on December 2022 data, indicates significant losses on account of impairment of banks' holdings in Government of Ghana (GoG) bonds. The impact of DDEP is moderated by the timely introduction of regulatory reliefs by the Bank of Ghana to support the banking sector which led to its key financial soundness indicators to remain broadly sound. Accordingly, the industry's average CAR adjusted for the regulatory reliefs was 15.7 percent in December 2022, compared to 19.6 percent in the previous year. The adjusted CAR reflected valuation losses on GoG bonds, elevated credit risk, and revaluation losses on foreign currency denominated loans. Asset quality marginally improved, with the industry's Non-Performing Loans (NPL) ratio at 15.1 percent in December 2022, almost unchanged from 15.2 percent in December 2021, reflecting the higher growth in credit, which outpaced the growth in the NPL stock.

Overall, this year has been very challenging. On July 1, 2022, the Government announced its intention to seek support from the International Monetary Fund (IMF). Discussions were held and a staff level agreement was reached in December. It is expected that the IMF program, when approved and implemented will help restore government's creditworthiness and eventually lead to a regain of access to the international capital markets. The program is also expected to lead to a stronger fiscal and monetary policy framework, which would lead to improved economic conditions and general stability.

The medium term macro-economic outlook looks promising, conditioned on certain key occurrences and actions. In the latest Country Risk Report by Fitch Solutions, Economic growth is projected to decelerate from 3.1 percent in 2022 to 2.9 percent in 2023, but rise to 3.8 percent and 5.7 percent in 2024 and 2025 respectively as current economic conditions ease. The fiscal deficit is also forecasted to narrow to 7.5 percent of GDP in 2023 from 8.1 percent in 2022 as a result of expected implementation of fiscal consolidation efforts during the year. As investor confidence improves and foreign reserves increase due to the IMF program, the exchange rate is expected to stabilize in the coming year. Regarding Inflation, the central bank is expected to continue monetary tightening programs (though at a slower pace) to prevent it from becoming entrenched.

Share Performance

The share price of the Bank for the year under review showed a 17% decline as price fell from GHC 1.2 at the beginning of the year to GHS1.0 at the end of 2022.

Changes in the Board of Directors:

Re-election of Directors

In accordance with Section 60 (1) of the Constitution of the Bank, there will be re-election of directors.

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 929); the Securities & Exchange Commission the Corporate Governance Code for Listed Companies 2020; The Bank of Ghana Risk Management Directive 2021; 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 2023

For the year 2023, we will continue to deepen our stakeholder relationships by liaising with our customers, our communities and our regulators. We will continue to work in close liaison with the Bank of Ghana to strengthen our Regulatory Framework.

We will continue to manage and control all of our risks, that is credit, operational, cybersecurity, environmental, compliance and reputational; by strengthening our risk culture, sense of responsibility and ethical behavior. We will aim to achieve the high commercial and financial ambitions; Manage the convergence of our systems, operations, use-cases and processes to streamline our costs over time and deliver an equivalent standard in the Bank; we will keep the customer at the center of our concerns as bankers, while maintaining the principles of ingenuity and pragmatism in the solutions we offer them to increase their satisfaction. We will continue and intensify the refocusing of our activities around Environmental, Social and Governance principles.

Acknowledgement

On behalf of the Board of Directors, I wish to express my sincere gratitude to all shareholders of Societe Generale Ghana PLC for your continued support and interest in the Bank I also extend my appreciation to the Management and staff of our Bank for their untiring efforts during a very difficult year. My gratitude goes to my colleagues on the Board, I wish to say a heartfelt gratitude to our cherished customers for their unflinching support, loyalty and patronage. Together we are continuing to build Societe Generale Ghana PLC into the Preferred Banking Institution in Ghana.

Thank you for your attention.

MARGARET BOATENG SEKYERE,

BOARD CHAIR

MANAGING DIRECTOR'S REVIEW

I am pleased to share with you the progress and achievements made during 2022 and to share with you a review of our operations and the performance of your Company for the year 2022.

2022 Operating Results

Ghana's inflation in the year 2022 exceeded its target ending the year at 54.1 percent record high. In its wake, monetary policy was tightened and cost of borrowing increased significantly. Regardless of the economic woes in the country, your bank remained resilient and generated a profit before tax of GH¢ 168,384,318. Operating income and operational expenses both recorded a growth of 26% and 8.6% respectively compared to 2021.

Despite the prudent risk management procedures employed by your bank, the current economic challenges mainly the Debt restructuring programme demanded a 752.3 % increase in NCR compared to 2021. Consequently, Profit After Tax declined by 38% when compared to the year 2021.

In spite of the sharp decline in our investment book in 2022, total assets recorded an increase of 21.3% compared to the year 2021.

Review of Operations for 2022

Human Resources Management

The Human Resources Management function in the year 2022 provided the needed support for the workforce in the organization during the uncertain economic headwinds in Ghana.

Various strategies were put in place to improve staff engagement and ensure continuity in employee productivity.

The key issues were:

- Appointment of a new Head of HR to strengthen the team.
- Successful management of projects (HR Online Phase 2 for Loans and Cash Deposit – Relieving branch staff on maternity leave – Police Report for all staff - Annual medical screening).
- Regular engagement between the HR Function and staff in various departments (Resumption of career interviews, meetings with Heads of Department / Managers)
- Engagement with Pension Fund managers (Axis & Petra) to educate staff on the benefits of their pension schemes and the impact of the Debt Exchange Programme on Pensions.
- Retirees Engagement programme on pension scheme
- Career Fairs were held at Ashesi and University of Ghana; School for the physically challenged, Legon.
- Internship opportunities for young people living with special needs in the Head Office as part of the Diversity and Inclusion agenda of the Bank.

Corporate coverage department

The Ghanaian economy like many other world economies has been significantly impacted by the recent global trends. The bounce back from the COVID pandamic was curtailed following the eruption of the Russian and Ukraine war. The effect of these world events negatively affected many economies especially developing ones whose reliance on agricultural and industrial factors of production from these regions was a key component for economic activity . Inflation soared to record levels, the local currency became one of the worst performing currencies in the world, general cost of doing business increased astronomically, and liquidity was very tight due to the monetary policy stance of the Central Bank and its resultant impact on cost of borrowing. The central bank policy rate increased from 14.5% in January to 27% as at December 2022.

Amid these uncertainties and difficulties, Corporate Coverage pragmatically designed solutions aimed at providing the needed support to its clientele. These solutions communicated to our customers that their needs and wellbeing was at the forefront of our operations and that we were poised to ensure the continuity of their businesses amidst the turbulant economic environment.

Though 2022 was a difficult year, it sparked our innovation, agility, and proactivity such that despite the economic downturn, the business in real terms (discounting the impact of depreciation) exceeded its loans & advances and net banking income budget for the year 2022. There was strong growth on all the product lines namely; Overdraft, Term loans, factoring and leasing. The growth in our stock of advances coupled with a high interest rate regime propelled the achievement of our set targets for 2022.

Amidst these challenges, we project 2023 with reference to Ghana, to be one with high inflation, a currency under continued pressure, lack of liquidity because of the government's domestic debt exchange program and a general lack of trust in the financial sector. These head winds require that we are selective in our credit underwriting processes underpinned by strong post disbursement monitoring, intentional in our sectors of active focus (continued support for the critical sectors of the

Ghanaian economy: Agriculture, Pharmaceuticals, Mining, Oil and Gas) and excellent customer service delivery anchored on technology, unique and bespoke solution, speed to market and professionalism.

Retail banking

The year under review started quite well; with average interest rates at a good level (between 18% and 22%), and the Covid impact and pressures behind us. We therefore had a good run, in terms of loan production during the first half of the year. Year-on-year, production for the first half witnessed a 17% growth. This was quite impressive coming on the back of a year where production had slowed down considerably. However, the good times did not last, as we started experiencing some significant deterioration in the macro-economic environment, which led to rate increments on both policy rate and GRR, with a negative impact on interest rates charged on loans. Within a space of three months, interest rates increased by over a 1000 basis points, leading to a virtual halt in loan production. Between the third and fourth quarter, we were producing less than half the level we did during the first half of the year.

Also, as a result of government's expanded appetite to raise funds through T-bills, liquidity became an issue since several depositors were attracted to the relatively high rates offered on government instruments. We therefore had to respond with various targeted deposit campaigns which covered all segments of Retail clients; Affluent, Mass Affluent and Mass Market.

Despite these challenges, we ended the year well by growing our loan and deposit stock by. This is a testament to our business model and the resilience of our teams.

In addition to the above results, Retail also worked on the following during the year:

1. New Relationship Model (NRM)

This is a project initiated and supported by the Regional Office of AFO, and it is aimed at repositioning the network to focus on driving value for the business. SGGH, in collaboration with the Hub Marketing Team at the Regional Office, commenced piloting the New Relationship Model in three branches for six months with a staggered roll-out approach scheduled for May 2023. The New Relationship Model focuses on growing the business through effective portfolio management with the introduction of a Customer Relationship Officer (CRO) and a Customer Service Officer (CSO) roles to manage Mass Affluent clients and Mass Market clients respectively.

2. Deposit Campaigns

As part of the bank's strategy to constantly work on our liquidity position and address the deposit challenges the bank faced in Q3 and Q4 - 2022, three deposit campaigns were embarked on to enable us to attract and retain stable deposits. These campaigns helped Retail Business to achieve its budgeted deposits for the year. The strategy and focus will continue in 2023.

3. Periodic Review & Bulk Account Closure

We continued with the Periodic Review Exercise in 2022. This is now a yearly activity structured to meet a few regulatory requirements as well as group policies. This exercise which we earlier struggled with has now become routine and well understood by our teams. A good working knowledge and capacity has been built over the past couple of years which now allows us to deliver on the expectations. We successfully completed the exercise by the end of the year achieving 100%, placing SGGH well among its peers.

We also begun an exercise the previous year to clean the portfolio by closing all inactive, non-operated accounts which has contributed to a poor account activity ratio for SGGH. As at end of the year, we had closed over 103,000 accounts. This has helped improve the active account ratio from a low point of 48% to now 56%. The exercise continues in 2023.

4. Overdraft Product

During the year under review, we piloted the rollout of our overdraft product to a selected group of salaried workers in the Affluent and Mass Affluent segments. This exercise went well, produced decent results and some valuable lessons which will now form part of the building blocks for Industrialization of Overdrafts across the network. Approximately 500 files were booked for over GH¢ 3.2 Million.

Treasury and Global Markets

SG Ghana's financial market operations gained more depth in 2022 with regards to product penetration, trading volumes and market share. Core to the Treasury strategy was the prudent management of the Bank's Balance Sheet risks and prudential ratios. This resulted in a very strong and resilient Balance Sheet position, despite turbulent environment.

SG Ghana's Treasury remains poised to provide appropriate hedges and solutions for its own book and that of its cherished customers.

Organization and projects

Organization and Projects continues to play a strong role in managing and coordinating various projects that seek to promote efficiency in banking operations and improve customer experience.

In the year under review, the Bank upgraded its Internet Banking Platform for Corporate Customers and piloted this with five Clients. We also deployed the Visa Consumer Authentication Services (VCAS) for the automatic enrollment of the E-commerce functionality on all SGGH Cards in addition to the E-commerce Acquiring Services for our Corporate Clients.

The Local Regulator approved for the Bank to offer Mortgage Loan Services to our Retail Clients .

The mobile banking application of the Bank, (SG Connect) has been enhanced with SMS and Email Alerts where customers receive notifications on transactions performed on their Accounts.

The Automated Teller Machines of the bank have also been reconfigured to accept and issue GHIPSS GHLink EMV cards.

The Bank deployed Offline and Online Verification Devices for identification of customers when performing banking transactions in the banking halls.

Information Technology
Information Security continues to be key for your Bank in the year under review. The Bank successfully undertook the ISO/IEC 27001:2013 surveillance audit in June 2022 as required by the ISO/IEC 27001 standard and the Bank of Ghana Cyber and Information Security Directive: 2018. This is an indication that Information Security Management System (ISMS) of SG Ghana remain aligned with international information security best practices.
Your Bank continued to improve the resilience and stability of our IT systems within the year under review. We ensured full compliance with the Regulator by enrolling on the E-Levy and Ghana Card Verification solutions. We also enhanced our Card with E-commerce functionalities which enabled our card holders to make transaction online by default.

Operational Risk and Permanent Control
The Permanent Control department, a major stakeholder of the Internal Control system of SGGH, has oversight responsibility for Operational Risk, Business Continuity, Branch Permanent Supervision, Managerial Supervision and KYC Quality Assurance.
For the year under review, Permanent Control with the performance of the annual Risk control self-assessment exercise ensured that risks that are inherent in daily banking operations were identified, analyzed, measured, monitored, and managed within the Bank's risk appetite . The necessary mitigations and controls were implemented to improve the internal controls of the Bank and ultimately reduce fraud and minimize operational losses.
As part of its mandate for the year 2022, the department deepened risk sensitization by undertaking various face to face and virtual training on fraud identification and prevention as well as the identification and management of operational incidents to forestall losses.
Additionally, the deployment of a tool for monitoring Key Risk Indicators (KRI) ensured that these indicators were closely monitored to anticipate developments that could pose operational risks and enable appropriate remedial action to be taken promptly. To ensure that all risks are adequately captured and monitored, some of the thresholds were reviewed while additional indicators were introduced, especially for activities whose risk exposures were rated high.

Regarding KYC Quality Assurance, the onboarding exercise was improved with the adoption of a structured checklist for the performance of quality assurance checks, thereby increasing the quality of Client files in the Bank's database. This ensured that Know Your Customer (KYC) directives and Anti Money Laundering (AML) guidelines were complied with to prevent fraud, money laundering and financing of terrorist activities.

Crisis Management and Business Continuity Plans were quite resolute in ensuring that when we had issues that would normally have disrupted our business such as fire outbreaks, appropriate pre-determined actions were implemented to ensure that business was not disrupted. We are continuously working to test and improve the BCP strategy further by performing Business Impact Analysis on activities of the Bank to identify vital and critical activities as well as IT applications for recovery in event of crisis or disaster.
The department continued with the monitoring of the Risk, Operational and Financial impacts of Outsourced Service Providers in the scope of their service provision and relation with the Bank. In this regard, an extensive review of the Contracts, Business Continuity Plans, and Service Level Agreements were performed to ensure that they met the Bank's requirements and tolerance levels.
Permanent Control will continue to deploy and implement the needed controls, training, and tools to deepen the Internal Control of the Bank to provide a sound and secure Banking environment for all our stakeholders.

Marketing, Multi-Channel and Quality Review
In 2022, the MMQ Department continued with its support for the Business through the delivery of a host of new initiatives, innovations, synergies, and partnerships. The department ensured that the Business was provided with regularly updated market intelligence and customer insight for effective decision making.

To improve the quality of our service delivery to our customers, the department in collaboration with its internal stakeholders launched the Process Optimization Project. As part of our continuous monitoring of the quality of our service, three surveys were conducted to obtain customer feedback.
The recruitment of a Community and Brands Manager during the year saw a significant growth in the Bank's digital and social media presence while ensuring brand consistency and standardization across the network.

Several initiatives and campaigns were deployed to support the business, some of which are listed below.

Campaigns:
1. Easter Loans Campaign was the major loans campaign executed by the Bank for 2022. This product achieved high results with most of the contributing branches exceeding their set targets. A net result of 79.2% of overall target was achieved. The campaign was heavily driven by external communications and some staff incentives.

2. Travel Now Pay Later a consumer asset finance product offer was launched in collaboration with Adansi Travel and DUKAB AB in July 2022. This exciting offer is designed to cover tour packages and tickets

3. Visa Card Cash Back Campaign saw over 2000 customers rewarded with cash amounts totaling more than GH¢237,000 and 315 customers given free visa classic cards.

Initiatives:
4. The relaunch of the SG Home of Business center in July 2022 under the theme 'Developing Business through Partnerships' reemphasized the Bank's commitment to continuously support local businesses.

5. The Bank's new Boafo Loan product was launched for Accra in June 2022. This Loan product is a short-term working capital loan package designed to address the needs of MSMEs. Businesses can access up to GH¢600,000.00 with a repayment period of one (1) year without the typical collateral as mostly required.

6. In 2022, the SG Innov8 HUB achieved several key milestones that had a visible impact on the Bank's customers and brand positioning. Overall, these achievements demonstrated the Bank's commitment to innovation, sustainability, and customer satisfaction. Amongst others, the Hub sign an MOU with the United Nation Development Program (UNDP) in June to help scale start-ups and this enabled the Bank to support small businesses and drive economic growth.

7. The International Customer Service Week was celebrated under the theme 'Celebrate Service'. The bank wide celebration recognized best service staff and the best customers in terms of profitability and loyalty (longest serving) for each branch. The overall best customers were treated to lunch with the Deputy Managing Director, Business and Retail Management team.

8. Fathers' Day Campaign. This social media activation was used to drive engagement between the Bank, its customers, and the public. Customers shared stories about their most memorable experiences with their fathers and the top 3 entries with the highest social media engagements were treated to dinner at a plush hotel. The campaign reached over 5 million accounts on twitter and created some much-needed online visibility for the Bank in June 2022.

Corporate Social Responsibility
Environmental transition has been prioritized in the bank's CSR ambition and as a group, various projects and actions have been taken to build together with our clients a better and sustainable future for energy sobriety and to strengthen our responsible employer policy. We continue the roadmap to halving our direct carbon footprint by 2030.

In the year under review, Sustainable development and Environmental and Social governance has been subsumed into CSR with a senior manager appointed to manage the space. Albeit the notion of sustainable development has been with us since the 1980s, it is now more than ever at the heart of our mission. The Group's new CSR ambition is leading us to accelerate the decarbonisation of our business portfolios (financing and insurance), and commitment to protecting biodiversity
We are reminded that sustainability is when we meet the needs of the present without compromising the ability of future generations to meet their needs, a United Nations report, the Brundtland report'

Throughout the Group, the ENEA Climate Energy Transition project has been launched and Ghana was no exception. The project has been phased out and the Bank has successfully completed all the required milestones for the first phase which is
1. Recruitment or appointment of a Sustainable Development Champion at senior managerial level to be responsible for all topics on sustainability

2. Identify potential clients within the existing client portfolio for energy transition

3. Training to commence engagements with clients on their sustainability journey and energy transition maturity levels

The ENEA strategy can be categorised into four main pillars

Strategy

- Decarbonization - Define ambitious sectoral perspectives for decarbonization by qualifying the potential for CAPEX financing in the region
- Business Strategy - Define revenue growth trajectories by sector under climate constraints (stress tests, EU taxonomy, etc.) and/or compatible with NZBA commitments/trajectories
- Defining ambitious sectoral perspectives for decarbonization by qualifying the potential for Capex financing in the region and to define revenue growth trajectories by sector

Client and Assets

- Existing clients - Support teams in prioritizing the portfolio (questionnaire) and engaging high value clients (pitch)
- New clients - Identify « Emerging Leaders » and support their portfolio onboarding
- Strategic assets - Support pro-active origination once key assets/sectors have been identified

Products and Offers

- Innovative offerings - Supporting the development of differentiated and integrated offerings on key assets
- Risk and DD - Define standardized DD approaches for certain assets and associated risk management strategy

Managing Directors Review cont'd

- Transactions - Complement AFMO's capabilities on certain transactions (e.g., Small-scale M&A / Equity raising Supporting the development of differentiated and integrated offerings on key assets (Risk and Transactions)

Organisation and Resources

- Training - Deploy an ambitious training program for transition "experts" and commercial teams
- Coordination with other BU's to leverage projects and initiatives

On sponsorship and donations, the Bank supported diverse community initiatives and projects in education, healthcare, environment, and community development. The Bank strategically positioned its public relations activities in line with the UN's sustainable development goals specifically zeroing in on Sustainable Development Goal (SDG) 6, which addresses water inadequacies and supply disruptions; one of the most important COVID 19 prevention measures. The bank in partnership with World Vision International constructed and commissioned two boreholes in Wiawso and Kona Communities in the Ashanti Region to address water deprivation issues. This initiative also has the potential to improve the academic performance of students of the community who will now spend more time in the classroom instead of trekking long distances in search of portable water.

In the community, the Bank proved to be socially responsive by supporting the Homowo Festival and the Gbetse Mantse with provisions and other items. The Bank showed further solidarity on the social front by its donations to Tobinco,Juaben and Boamponsem Funerals .

On the corporate front, the Bank sponsored the CCIF gala night event; a corporate initiative that brings together businesses in the French community for networking. In addition, the Bank supported the SDG Goals on health and Education as well as Innovation evidence by sponsorship and donations to the CSIR Food and Agric Organization (FAO) of the UN in the category of innovative product in the food chain. In Education and literacy sponsorships went out to the Winneba University Hall week(French Proficiency Quiz), Alliance Francophone and Alliance Hall week activities just to mention a few. The Bank also made some donations to the Orphanage and in sports partly sponsored The Move for Youth(A health initiative organized globally to encourage team building) .

Due to the unforeseeable economic downturn of the country and the world at large, the bank had to wind down on spending. The CSR unit was thus unable to utilize all the allocated budget for the year. Going forward, the CSR approach is to proactively outline and determine its projects and spend ahead of the year. An agreed percentage of the budget will be kept to respond to CSR requests that come in adhoc outside the planned initiatives. For the year ahead, donations will be towards supporting green and biodiversity projects. The Bank will continue to work with World Vision on some common initiatives such as was done last year.

A 9 member CSR committee has been constituted to discuss proposals and a yearly CSR strategy which is to guide spending each year. The committee's input is to reflect their business development needs from a CSR perspective which is in line with the current policy of the group for CSR We will continue to work on sustainability topics and projects together with the region to meet the milestones set for each subsidiary.

Compliance

The Compliance Department of Societe Generale Ghana has remained pivotal in ensuring that, despite the ever-changing trends in the industry, the Bank, its stakeholders and staff are continually guided and focused in ensuring regulatory requirements, ethical standards and professional conduct are maintained at high standards. SG Ghana offers as its reputation, and as one of its unique selling points, a culture which respects and offers continued adherence to local and international regulations.

This assures our valued clients of the security of their investments and operations especially in these turbulent financial times. This also minimizes the risk of regulatory sanctions and guarantees the ease of business in the international markets, resulting in sustainability and growth of the investments of the bank's shareholders, clients and partners.

The Compliance Department continues to play 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 within the scope of Financial Crime and Regulatory Compliance topics to meet its mandate within the existing framework of the bank.

Appreciation

I would like to thank the Board, Management, Staff and all stakeholders for efforts made in 2022. I would like to take this opportunity to express my gratitude to Executive Committee members for all the hard work undertaken during the year. I would like to end by thanking again, the Board of Directors, Management and every member of staff for their individual and collective contribution to the organic growth of the Bank during a very difficult year.

Hakim Ouzzani
MANAGING DIRECTOR

SOCIETE GENERALE GHANA PLC
REPORT OF THE DIRECTORS

The Directors in submitting to the shareholders the financial statements of the Bank for the year ended 31 December 2022 report as follows:-

	2022 **GH¢**	2021 GH¢
The Bank recorded net profit before taxation	168,384,317	281,966,699
From which is deducted taxation of	(59,544,391)	(97,637,066)
Giving a net profit after taxation of	108,839,926	184,329,633
There was transfer to statutory reserves of	(27,209,982)	(46,082,408)
Leaving a profit for the year after taxation and transfer to statutory reserves of	81,629,944	138,247,225
When added to the opening balance on the income surplus account as of 1 January of	207,312,183	149,907,074
From which is deducted final dividend paid of	(48,386,529)	(80,842,116)
It leaves a closing balance on the retained earnings account of	**240,555,598**	**207,312,183**

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 47, 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

Objective of the company and nature of business

Societe Generale Ghana PLC is a public limited liability company incorporated under the Companies Act, 2019 (Act 992). The company which is a Bank is listed on the Ghana Stock Exchange and is registered with the Ghana Investment Promotion Centre. 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 PLC a subsidiary of the Societe Generale Group.

Investments

SSB Investments Limited, a company incorporated in Ghana to manage the equity investments of the Bank is a wholly owned subsidiary of the Company. 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;
- to do all such other things which may seem to the company's directors to be incidental or conducive to the achievement of the objects.

With change in ownership of the Company, the Bank in 2003 indicated its intention to disinvest in SSBI in line with its policy and strategy, to liquidate SSBI and refocus on core business. The directors of SSBI at the time by a resolution dated 6 August 2003 resolved that the entire portfolio of investments held by SSBI be disposed off. Over time all the investments held by the company were sold off.

The proceeds of the sale of the investments were credited to the Bank as SSBI is 100% owned by Societe Generale Ghana PLC. SSBI has been inactive for a long time now since almost all of the investments which were held under it had been sold.

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 or specialized deposit taking institution that represents more than 5% interest in the body corporate, the following action was taken.

The Board of Directors of the Bank at a meeting held at Yaoundé in Cameroun on 1 December, 2017 notice of which had been duly given, authorized the transfer of its 10% shares in Advans Ghana Savings & Loans to SSBI(shareholding stands at 6.22% as at 31 December 2022).

The certificate for the transfer of Shares to SSBI was obtained in 2018. To achieve full convergence with Act 930, the Bank is currently working on operationalizing SSBI to comply with IFRS and Regulatory Reporting.

The Bank has therefore put in place processes to make SSBI 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 SSBI 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 SSBI.

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 60 (1) of the Constitution of the Bank, there will be re-election of directors.

Changes in Senior Management
- **Mr Kwame Abbey** was appointed Deputy Managing Director in charge of Operations and Support Functions.
- **Mr Pierre Glemot** was appointed Chief Risk Officer.
- **Mrs Mildred Caesar** was appointed Head, Human Resource Management.
- **Mr Daniel Sarpong** was appointed Head, Corporate Coverage.

All the said appointments were duly approved by the Bank of Ghana

Directors' Interest

None of the Directors had a material interest in any contract of significance with the Bank during the year.

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 no interest was registered.

Building the Capacity of Directors
There were steps taken to build the capacity of the Directors to discharge their duties during the year. These include participation in training and capacity building sessions organised by the National Banking College on Corporate Governance. The dates for the training sessions were 10 January 2023, 11 January 2023 and 12 January 2023. The Directors were also trained by the Chief Compliance Officer on Anti-Money Laundering and Combatting Financing of Terrorism during the year.

Dividend
No Dividends will be declared during the period under review.

Bonus Shares
There has been no proposal for the issue of bonus shares during the year under review.

Environmental Social Governance
Introduction
Societe Generale Ghana PLC (SG) is a subsidiary of the Societe Generale Group. The bank considers the banking and financial sector as an essential contributor to economic development and is committed to conducting its activities in a responsible way. This report highlights the bank's commitment to sustainable development and the progress made in implementing its policies and procedures.

Environmental and Social Management Systems (ESMS)
Societe Generale Ghana PLC established the Environmental and Social Management Systems (ESMS) General Guidelines in 2013, with a focus on the economic, environmental, and social consequences and impacts of its activities. In July 2014, the Board of Directors approved the Environmental and Social Management Systems (ESMS) Policy, which has been in operation with the latest update to the policy approved and published in December 2021. The ESMS General Principles stem from the legal and regulatory framework applicable to the Bank's activities and are implemented through processes and procedures adapted to the different activities of the Bank.

Sustainable Banking Principles
Societe Generale Ghana signed the Central Bank of Ghana's Sustainable Banking Principles in November 2019 and has since taken important steps towards implementing these principles and improving upon existing policies and procedures. The Bank has the policies, governance bodies, and responsible individuals in place for implementing these Principles.

Principle 1: Identify, measure, mitigate and monitor environmental and social risks in business activities. Identify environmental and social opportunities in business activities
The Bank has met the requirements of Principle 1. With a trained team on E&S, the bank continued its efforts in identifying, measuring and mitigating E&S risks of clients through Credit appraisals, backed by an industry-standard ESMS Policy and Procedure.

Principle 2: Promote good environmental, social and governance practices in internal business operations.
The ESG team in Societe Generale Ghana PLC was strengthened by the creation and introduction of a Head, CSR and Sustainable Development. There is a clear reporting line on E&S, with an annual report submitted to the Board of Directors.
Principle 3: Promote good corporate governance and ethical standards
The governance framework forms an integral part of the Bank's structure, and comprises a number of different tools and structures at various levels of the Bank's hierarchy i.e.. The Board, a Corporate Governance System and Board Charter, he Compliance Framework, the Audit Charter, the Credit Risk Committee, the Operational Risk Committee, the Human Resource Committee on Remuneration, the New Products Committee and the Bank's Internal Regulations.
The bank has policies and procedures that tackle anti-bribery, corruption, Code of conduct and an instruction on Gifts, Business Meals, and External Events.

Principle 4: Promote gender equality
There has been a conscious effort over the years to promote gender quality in all departments and hierarchies of the bank. In order to put the Diversity and Inclusion Policy of the bank into action, the bank decided to start working with persons with Special Needs and as at end of year 2022, Societe Generale Ghana PLC had 3 staff with Special Needs. To build capacity, among interested staff on Sign Language, a training is expected to start in Q2 2023.

Table showing Gender representation across the Organizational Hierarchy

Level	Female	Male	Total
Board	44%	56%	100%
Executive Mgt	44%	56%	100%
Senior Mgt	26%	74%	100%
Middle Mgt	43%	57%	100%
General Staff	44%	56%	100%

Principle 5: Promote financial inclusion
To promote Financial Inclusion, the bank has a key focus on women, as we identify the financing gap between women and men. To this end, the bank is developing a Market Segment and Classification for women-led businesses. This is under development and seeks to increase access to funds by women-led businesses. To date three capacity building progammes have been organized to support women entrepreneurs with information on doing business right and to sample opinion on the expectation of a woman dedicated account /market segment.

Principle 6: Promote resource efficiency and sustainable consumption and production
SG has several commitments including but not limited to biodiversity, deforestation, and the Paris agreement. To achieve this, the bank embarked on a program through an international strategy and consultancy to strengthen the support offered to its customers on their energy and climate transition and other environmental issues.
To adopt a cleaner (Green) and efficient source of energy the bank has a solar project at the head office building. The project is a 267 Kwp Hybrid PV Plant mounted carport structures covering 1610m3 area . SG's project upon completion has seen a significant decline in the Carbon monoxide emission which was a residue of burning crude from standby Generators.

Principle 7: Reporting

In terms of Reporting, the bank currently reports to International Financial Institutions, as may be applicable, and the Bank of Ghana through these 7 Principles on Sustainable Banking. This current publication in our Annual Report is the new normal and Societe Generale Ghana PLC, will continue to improve on this and public disclosures regarding Environmental and Social Performance.

Progress Made in 2022

During the past year (2022), Societe Generale Ghana continued to engage with its clients, assisting and advising on sustainability issues. The bank appointed a new Head effective July 2022, with the responsibility for overseeing the bank's journey to a more sustainable practice. The scope covers Corporate Social Responsibility (CSR), Sustainable Development, and Environmental and Social Management Systems (ESMS). These steps will further help Societe Generale Ghana in creating the needed synergy between CSR and lending activities, in terms of Sustainable Banking.

Conclusion

Societe Generale Ghana PLC considers the economic, environmental, and social consequences and impacts of its activities and is committed to conducting its activities in a responsible way. The bank has made significant progress in implementing its Environmental and Social Management Systems (ESMS) and Sustainable Banking Principles. These efforts have enhanced risk management procedures, protected value creation over the long term, and unlocked additional strategic opportunities for the entire business community in Ghana.

We will continue building together with our clients, a better and sustainable future through responsible and innovative financial solutions.

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SOCIETE GENERALE GHANA

Corporate Governance Report

Corporate Governance Directive by 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 Specialized 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. The Bank of Ghana issued the Corporate Governance Disclosure Requirements in May 2022.

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 updated Board Charter was duly approved by members on 2 December 2021 with updates done in 2022. 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 and 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 the 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 for 2022.

The Securities and Exchange Commission Ghana ("SEC") Corporate Governance Code 2020

The SEC Ghana issued a Corporate Governance Code on 8 October 2020. The Code applies to all companies whose securities are listed on the Ghana Stock Exchange ("GSE"). Societe Generale Ghana PLC, a company that is listed on the GSE, had to comply with the Code by October 2021. With the implementation of the Bank of Ghana Corporate Governance Directive 2018, the Bank is already compliant with most of the sections of the SEC Code. The Board Charter was updated on 2 December 2021. It will be published on the Bank's website. The role and responsibilities of the Board as spelt out in the Code is described in the Board Charter. The Board appointments policy and remuneration policy shall also be in the Board Charter.

The Board shall reflect the company's broad shareholding structure. The Board shall identify one independent Non-Executive director who shall be responsible for relations with minority shareholders.

No person shall hold more than 3 directorships in any listed company at any one time. All directors shall be required to submit themselves for re-election. The Board shall adopt a clear succession plan for its Chair and Chief Executive Officer and other senior executive officers.

Independent Non-Executive Directors shall be required to chair all Board Committees. The Chairman of the Audit Committee shall be a Chartered Accountant.

The Board shall appoint a person with responsibility for relations with investors. This person shall have the resources necessary to fulfil his/her function. The investor relations officer may have other duties. The investor relations officer shall be the first point of contact between investors and the company. He or she shall be responsible for providing financial and non-financial information to investors, financial analysts and their representatives in a timely and accurate way. The investor relations officer shall also be responsible for reporting investor concerns to the Board and ensuring that the statutory provisions as well as the provisions stipulated in SEC Corporate Governance Code, regarding communications with investors and shareholders are met.

Compliance with the Securities & Exchange Commission Ghana Corporate Governance Code

Societe Generale Ghana PLC, a Company that is listed on the Ghana Stock Exchange had to comply with the Code by 8 October 2021. With the implementation of the Bank of Ghana Corporate Governance Directive 2018, the Bank is already compliant with most of the sections of the SEC Corporate Governance Code. However, a gap analysis has revealed that Societe Generale Ghana is compliant with 265 out of 298 actions. As at 31 December 2022 the Bank is working on achieving compliance with 33 actions. The Compliance rating is approximately 97% and the Bank is working on achieving 100% convergence with the SEC Corporate Governance Code.

Business strategy
The Board approves and monitors the overall business strategy of the Bank taking into account 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 at all times which is stipulated in the Companies Act, 2019 (Act 992) and the Constitution of the Company.

Corporate culture and values
The Board has established a corporate culture and values for the Company that promote and reinforce 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, 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; and ensuring that appropriate steps are taken to communicate throughout the Company, the corporate values, 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 and applicable legislation and other requirements exposure limits for loans to related parties and staff.

Plan for succession
The Board has duly approved a succession plan. The succession plan was approved by the Board in 2020. It will be reviewed in the year 2023. 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 ensures the actions of Senior Management through reports from Management 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 monitors 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 both 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 has four Independent Non-Executive Directors. The Board Chair, the Audit & Accounts Committee Chairman, the Risk Committee Chair and the Independent Directors Chair. 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:-

a. hold cross directorship positions with another director on the Board of other institutions;

b. be a director on the Board of an institutional shareholder with significant equity interest in the Regulated Financial Institution;

c. have more than 5% equity interest directly or indirectly in the Company or in its related companies;

d. be employed in an executive position in the Company or its related company at least two (2) years prior to his appointment date;

e. have relatives employed by the Company or any of its related companies as Key Management Personnel in the last two (2) years;

f. 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

g. 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;

h. 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 National Banking College have trained the Board of Directors on Corporate Governance. The Board were also trained internally on 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 shall cover 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. Independent Directors constitute at least 30% of the composition of the Board.

The Company does not have members serving on its Board that are Related Persons.

Board size and structure

As at 31 December 2022, the Board members are 12 including the Chairperson, the majority of whom 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 dominates 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 conforms to the Directive issued by the Bank of Ghana on fit and proper persons. The Bank complies with the Bank of Ghana in respect of the tenure of the Managing Director of 12 years.

Appointment of key management personnel

The Bank ensures that nominations are submitted to the Bank of Ghana before it appoints a Key Management Personnel. With 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 Chairperson

The Chair of the Board is an Independent Non-Executive Director and is ordinarily resident in Ghana. The Chair provides leadership to the Board and ensures that Board decisions are taken on a sound and well-informed basis. The Chair encourages and promotes critical discussion and ensures that dissenting views can be expressed and discussed within the decision-making process. The Chairperson encourages constructive relationship within the Board and between the Board and Management. The Chair promotes checks and balances in the governance structure of the Bank. She generally does not serve as a Chairman on any of the Board sub-committees. The Bank of Ghana approved the appointment of the Board Chair on 15 September 2020.

The Board Secretary

The Board Secretary serves as an interface between the Board and Management and supports the Chairperson 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 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 below which is above 50% if any:-

NO	NAME	24 FEB 2022	25 APR 2022	16 JUN 2022	28 JUL 2022	29 SEPT 2022	24 OCT 2022	9 DEC 2022	ATTENDANCE
1	Margaret Boateng Sekyere	yes	yes	yes	yes	yes	yes	yes	100%
2	Hakim Ouzzani	yes	yes	yes	yes	yes	yes	yes	100%
3	Georges Wega	yes	yes	no	no	yes	no	yes	57.1%
4	Agnes Tauty Giraldi	yes	yes	no	yes	yes	yes	yes	85.7%
5	Arnaud De Gaudemaris	yes	yes	yes	yes	yes	yes	yes	100%
6	Laurette Otchere	yes	yes	yes	yes	yes	yes	yes	100%
7	Francis Awua-Kyerematen	yes	yes	yes	yes	yes	yes	yes	100%
8	Fosuhene Acheampong	yes	yes	yes	yes	yes	yes	yes	100%
9	Juliana Asante	yes	yes	yes	yes	yes	yes	yes	100%
10	Yvon Puyou	yes	yes	no	no	yes	yes	yes	71.4%
11	Peggy Dzodzomenyo	n/a	n/a	n/a	yes	yes	yes	yes	100%
12	Arthur Bright	n/a	n/a	n/a	yes	yes	yes	yes	100%

n/a - Applicable to Directors who were undergoing 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 reviews 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;
- compliance with Anti-Money Laundering/ Counter Financing of Terrorism (AML/CFT) policies, laws and regulations;
- list of related party exposures and their classification.

Board sub-committees

The Board has in place a Risk Committee, an Audit and Accounts Committee, a Nomination and Compensation Committee, a Cyber and Information Security Committee and an Independent Directors Committee. The Chief Risk Officer, the Chief Compliance Officer and the Head of Internal Audit report directly to the Board via the Board sub committees and the Managing Director.

Internal control organization

Internal Control Organization in Societe Generale Ghana PLC deals with the three lines of defence to control risks arising from the Banks Activities, Societe Generale Ghana Internal Control Instruction and SG Code Book A of the Societe Generale Group Code.

a) The First Line of Defence - all staff, business lines, support functions, Central Departments and the Permanent Control Team. In charge of day-to-day risk management, it must know its risks, identify control needs and ensure that the necessary controls are implemented. Must have appropriate processes and controls in place to ensure that risks are identified, analysed, measured, monitored and managed within the Group's risk appetite and that business activities comply with external and internal requirements. Implements Level 1 permanent controls in line with the norms, standards and procedures defined by the relevant second line of defence functions.

b) The Second Line of Defence - Compliance, Risk and Finance. They ensure all risks are identified, assessed, analysed, measured, monitored, managed and properly reported by the business lines. Performs second level controls to verify the adequacy performance and effectiveness of the first level permanent controls. Defines norms, standards and procedures related to the operational risk management system and provides key indicators and analysis for overall risk monitoring. Challenges and supports the implementation of risk management measures by the business lines to ensure that the processes and controls put in place by the first line of defence are well designed and effective. Performs second-level controls to verify the adequacy, performance and effectiveness of first-level permanent control.

c) The Third Line of Defence is Internal Audit. Evaluates the Group's risk management, control and corporate governance processes using a systematic and methodical approach. Evaluates the quality of risk management within the audited perimeter and the relevance and effectiveness of the permanent control system. Strictly independent of the business lines and Permanent Control and also in charge of the independent review of the first two lines of defence.

Review of risk management system

Societe Generale Ghana has in place, an effective Risk Management Policy and generally complies with Bank of Ghana's regulations in respect of Risk Management. The Bank's Risk Management Framework was implemented in line with the SG Group policies as well as Bank of Ghana's Directives. Global risks coverage was adequate within the Bank.

Annual Declaration on Risk Management

The Bank of Ghana pursuant to Section 92(1) of the Banks and Specialised Deposit Taking Institution Act 2016 Act 930 issued a Risk Management Directive 2021. Section 40 of the Risk Management Directive provides that the Board of a Regulated Financial Institution shall make an annual declaration on risk Management of the Regulated Financial Institution to Bank of Ghana and in its Audited Financial Statement and/or on its website stating that to the best of its knowing and having made appropriate enquiries in all material respects. The Risk Management declaration of the Regulated Financial Institution shall declare if there has been any breach of or material deviation from the Risk Management Framework or the requirements as detailed in the declaration below:-

Declaration by the Board of Directors of Societe Generale Ghana PLC

a. Societe Generale Ghana PLC has put in place systems for ensuring compliance with all the prudential requirements.

b. The systems and resources that are in place for identifying, measuring, evaluating, controlling, mitigating and reporting material risks and the Risk Management Framework its self is appropriate to Societe Generale Ghana and is commensurate with the size, business mix and complexity of Societe Generale Ghana PLC.

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

d. Societe Generale Ghana PLC has a Risk Management Strategy that complies with the Bank of Ghana Risk Management Directive dated November 2021 and Societe Generale Ghana PLC has generally complied with the requirements described in the Risk Management Strategy.

e. Societe Generale Ghana PLC is satisfied with the effectiveness of its processes and Management Information Systems

Societe Generale Ghana PLC to the best of its knowledge and having made the appropriate enquiries in all material aspects:-

The Risk committee

Analyses on a periodical basis the organisation and functioning of the Bank's risks departments. The Committee reviews the portfolio of credit and market risks to which the Bank is exposed. As regards counterparty risks, the Risk Committee shall review the content of and changes to the portfolio per type of facility and debtor; the regulatory ratios and key indicators (consumption of own funds by major risks, risk worsening ratios, concentration risk per sector, cost of the risk, etc.), changes to the quality of commitments: sensitive, irregular, non-performing files, compliance with the conditional authorizations issued by the Societe Generale; adequacy of the level of provision for the risks incurred, the efficiency of debt collection and reports to the Board of Directors on its work.

Membership of the risk committee

The members of the Board Risk Committee shall comprise all categories of Directors and shall exclude the Chairman of the Board and at least 1 Independent Non-executive Director, 4 Non-Executive Directors and 1 Executive Director. The Chairperson and members of the Sub Committee shall be appointed by the Board and shall serve for an initial term of 3 years which may be extended by not more than 2 additional years. The Committee members and the Chairperson shall serve until they are replaced, resign or their successors are duly nominated and elected by the Board.

The Board Risk Committee shall meet at least quarterly.

Three (3) members of the Board Risk Committee shall constitute a quorum for the transaction of its business. A quorum shall be reached with the attendance of the members either in person or by telephone or video conference.

The Chairperson of the Board Risk Committee shall be an Independent Non-Executive Director who is knowledgeable in risk management, finance, accounting and economics. The members of the Board Risk Committee shall comprise all categories of directors and shall exclude the Chairperson of the Board. In his/her absence, the remaining members present shall elect one of themselves to chair the meeting.

The following officers of the Bank shall attend all meetings of the Board Risk Committee – Chief Risk Officer ; Chief Finance Officer; Chief Internal Auditor ; Head of Credit or Corporate Banking ; Head of Business Promotion; Company Secretary. Members of the Board who are not members of the Sub-Committee may, at the request of the Chairman attend meetings. However, such Non-Committee members shall have no voting rights. The Committee may request members of management or other officers of the Bank to attend all or any part of any meeting or to provide relevant information in written form.

The Chairperson shall, in coordination with the Secretary to the Committee, be responsible for scheduling all meetings and providing a written agenda for each meeting. Members of the Committee shall each be entitled to one (1) vote and a majority of votes shall decide a matter and in the event of a tie, the Chairperson shall have a casting vote. The Committee shall report to the full Board regularly following each meeting and make such recommendations to the Board, as it deems appropriate.

2022 report from the risk committee

Current Membership

- Mrs Juliana Asante - Chair
- Mr Georges Wega - Member
- Mr Hakim Ouzzani -Member
- Mrs Agnes Tauty Giraldi -Member
- Mr Arnaud De Gaudemaris -Member

Meetings 2022

Four meetings were held in the year 2022 on 15 February 2022, 13 April 2022, 13 July 2022 and 23 November 2022.

Mrs. Juliana Asante is an Independent Non-Executive Director and Chairperson of the Risk Committee. The Risk Committee has the following functions: It analyses on a periodical basis the organisation and functioning of the Bank's risks departments; and 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; adequacy of the level of provision for the risks incurred, the efficiency of debt collection and 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 Deputy Managing Director, Chief Operating Officer, Chief Risk Officer, Head of Audit Department, Chief Finance Officer, General Manager Corporate Coverage, Chief Compliance Officer and the Head of Permanent Control. The Risk Committee operates under a Charter.

Summary of Issues Discussed

- economic environment;
- risk indicators;
- the banks position on the market in comparison with peer banks;
- the global portfolio review ;
- market activities;
- irregular commitments monitoring;
- corporate credit exposure;
- retail credit exposure;
- operational risk and managerial supervision;
- risk appetite statement key Indicators.

Recommendations made to the Board for approval

- valuation framework policy
- market risk policy
- risk appetite framework
- risk appetite statement

The Board of Directors of the Bank hereby declare that to the best of its knowledge and having made the appropriate enquiries in all material respect that:-

a) Societe Generale Ghana PLC has put in place systems for ensuring compliance with all prudential requirements;

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

c) the risk management framework and internal control systems in place are operating effectively and are adequate

d) the Bank has a Risk Management System that complies with the Bank of Ghana Risk Management Directive and the Bank has complied with the requirements described in its Risks Management Strategy and

e) the Bank is satisfied with the effectiveness of its processes and management information systems.

The Audit and Accounts Committee

The Audit and Accounts Committee of the Board is responsible for overseeing the financial reporting process including the establishment of accounting policies and practices; providing oversight of internal and external audit functions, the appointment, compensation and removal of auditors, reviewing and approving the audit scope and frequency, receiving key audit reports and ensuring that Senior Management is taking the necessary corrective actions in a timely manner to address control weaknesses, non-compliance with policies, laws and regulations and other problems identified by auditors as well as any other relevant matters referred to the committee by the Board and; monitoring the Internal Control system in the Bank.

The purpose of the Audit and Accounts Committee (whose authority is derived from the Board) is to assist the Board in fulfilling its oversight responsibilities. This includes:

- 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.
- recommends for approval of the Board of Directors the Audited Financial Statements and quarterly unaudited financial statements,
- periodically gives an opinion of the organization and functioning of the Bank's periodic and permanent internal control (including Risks related to Non Compliance).
- 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 Group's relevant Departments, the Audit Plan of the Bank while making sure that the developmental 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 and 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; 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 formalized in the Audit and Accounts Committee File; Audit and Accounts Committee Appendix; Permanent Control activity; Internal Audit Report to the Audit and Accounts Committee and discussed according to the Agenda.

Membership of the audit and accounts committee

The Sub-Committee shall consist solely of Non-Executive directors. Their composition shall not be less than 4 members who must be competent in accounting, auditing and finance. The Chairperson and members of the Sub-Committee shall be appointed by the Board and shall serve for an initial term of 3 years which may be extended by not more than 2 additional years. The Committee members and the Chairperson shall serve until they are replaced, resign or their successors are duly nominated and elected by the Board. The Sub-Committee shall meet at least three times each year and as often as may be deemed necessary or appropriate.

Two (2) members of the Sub-Committee shall constitute a quorum for the transaction of its business. A quorum shall be reached with the attendance of the members either in person or by telephone or video conference. The Chair of the Sub-Committee shall be Independent and appointed by the Board and shall preside when present. In his/her absence, the remaining members present shall nominate another Non-Executive member to chair the meeting.

The following officers of the Bank shall attend all meetings of the Sub-Committee: Managing Director; Deputy Managing Director; Chief Operating Officer; Chief Compliance Officer; Chief Finance Officer; Head of Internal Audit; Head of Permanent Control; Company Secretary.

Members of the Board who are not members of the Sub-Committee may, at the request of the Chairperson attend meetings. However, such Non-Committee members shall have no voting rights. The Sub-Committee may request members of management or other officers of the Bank to attend all or any part of any meeting or to provide relevant information in written form.

The Chairperson shall, in coordination with the Secretary to the Sub-Committee, be responsible for scheduling all meetings and providing a written agenda for each meeting. Members of the Sub-Committee shall each be entitled to one (1) vote and a majority of votes shall decide a matter and in the event of a tie, the Chairperson shall have a casting vote.

The Sub-Committee shall report to the full Board regularly following each meeting and make such recommendations to the Board, as it deems appropriate. The Committee has an oversight role, and in fulfilling that role, may rely on reviews and reports provided by management and the Committee's advisors. In performing its oversight responsibilities, the Committee may, as and to the extent that it determines appropriate, review with management and the Board, and actively advise them regarding, the following matters:

- issues relating to the preparation and control of accounting and financial information,
- the independence of the statutory auditors,
- the effectiveness of the Internal Control,
- measurement, supervision and control systems for risk related to accounting and financial processes;
- recommendations to the Board;
- the effectiveness of the internal control and measurement systems and;
- the supervision of internal control risks.

2022 Report from the audit and accounts committee

Current membership

- Mr Francis Awua-Kyerematen - Chair
- Mrs Juliana Asante - Member
- Mr Arnaud De Gaudemaris - Member
- Mrs Laurette Otchere - Member
- Mr Fosuhene Acheampong - Member

Meetings in 2022

Three meetings were held in the year 2022 on 18 February 2022, 21 April 2022, 19 July 2022 and 20 October 2022.

Mr. Francis Awua-Kyerematen is an Independent Non-Executive Director and Chairperson of the Audit and Accounts Committee. 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, Chief Finance Officer, Head of Audit Department, Head of Permanent Control Department and where necessary, the Bank's External Auditors.

Summary of issues discussed

- presentation of the Internal Control System in Societe Generale Ghana;
- validation of Audited Financial Statements
- validation of quaterly Unaudited Financial Statements
- operational Risk and Level 1 Permanent Control Executive Summary;
- level 2 Permanent Control Risk Finance and Compliance;
- periodic Control Activity;
- compliance & Anti-Money Laundering & Combatting Financing of Terrorism;
- finance and taxation;
- level 2 Control Finance;
- summary of Statutory Auditors

Summary of issues analysed

1. Unaudited Financial Statements
2. The overall Risk Assessment of the Permanent Control System covering the Framework of the control system; Monitoring of Key Risk Management Processes; Supervision of Level 1 Controls; Supervision of Level 2 Controls; Steering of Recommendations.
3. Permanent Control Activities & Risk Supervision comprising Operational Risk; Compliance Risk & Financial Security, Monitoring; Anti-Money Laundering; Major Legal Risks; Market Risks, Structural Risks, Managerial Supervision Activity, IT Risk Management, Security of Staff & Equipment, New Products & Essential Outsourced Services, Twenty Largest Depositors, Follow Up of Accounts & Quality, and Business Continuity Planning and Crisis Management; Compliance, Anti Money Laundering & Combatting Financing of Terrorism.
4. Audit Plan Execution and Main Conclusions from Audit Missions.
5. Follow up of Audit Recommendations.
6. Level 2 Permanent Control Plan Implementation and Missions undertaken for Risk and Compliance and Finance and Taxation.
7. The Internal Control System at the Bank; Overall Assessment of the Permanent Control System at the Bank; Operational Risks; Managerial Supervision; Business Continuity; Know Your Customer; IT Risks; Legal Risks; Level 2 Permanent Control; Finance and Taxation; the Establishment of the Financial Information and Accounts Review; Taxation Regulatory Reporting; Missions on the Summary of Statutory Auditors; The Periodic Control System; the 2022 Audit Plan and realization rate and Special Missions.

8. Action Plans were analysed on the global overview of Compliance Risks, Financial Security and Regulatory Compliance concerning Governance, Animations, Trainings and the Normative Framework; Monitoring & Control, KYC and AML; Embargoes and Sanctions; Clients Protection and Business Ethics.

Commitee recommendations for Board approval

- 2022 Quarterly Unaudited Financial Statements;
- Permanent Control Reports
- Periodic Control Reports;
- Abandonment of one Audit Mission;
- Level 2 Permanent Control Reports;
- The appointment of Deloitte and Touche as External Auditors
- Policy on Personal Transactions of Individuals Exposed to Clients of Investment Services.
- Anti-Money Laundering & Combatting Financing of Terrorism Policy
- Societe Generale Ghana 2023 Audit Plan;
- Societe Generale Ghana 2023 Level 2 Control Plan;
- Societe Generale Ghana 2023 Permanent Control Training Plan
- Societe Generale Ghana 2023 Compliance Training Plan;
- Societe Generale Ghana 2023 Compliance Program;
- Operational Risk Master Procedure for Societe Generale Ghana
- Summary of Remediation works on Business Continuity Plan for Outsourced Services

The Nomination and compensation committee

The Nomination and Compensation Committee is a committee of the Board of Directors. 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; administrators and company managers pay. The purpose of the committee is to :-

- ensure compliance with Bank of Ghana's Corporate Governance Directive 2018;
- ensure compliance with Bank of Ghana's Fit and Proper Persons Directive July 2019;
- ensure compliance with Societe Generale Group Corporate Governance Principles Applicable to Group Entities Instruction No 014122.
- assist the Board to accomplish its aim of ensuring that the Bank has a Board of competent and effective composition, size and commitment to discharge its responsibilities and duties in the best interest of the Bank and its shareholders.
- to achieve best corporate practices by advising the Board in respect of succession plans, appointments and compensation packages for Management Officers of the Bank.

The Nomination and 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.

Membership of the committee

The Committee shall be composed of not less than four (4) members of the Board who are suitably skilled and possess the relevant skills as required by the Sub- Committee. The Chairperson and members of the Sub -Committee shall be appointed by the Board and shall serve for an initial term of 3 years which may be extended by not more than 2 additional years. The Committee members and the Chairperson shall serve until they are replaced, resign or their successors are duly nominated and elected by the Board.

- the Committee shall identify and recommend to the Board, nominees for membership.
- the Committee shall ensure the nominees have the qualities of Integrity, Honesty and Accountability; Objectivity and Knowledge in Business and Financial matters and other relevant qualities and experience.
- the Committee shall regularly assess the Directors represented on the Board.
- the Committee shall effect Board Performance and Appraisal covering all aspects of the Board structure and composition, responsibilities, processes and relationships as well as individual member's competencies and their respective roles in the Board's performance.
- the Committee shall be consulted on issues relating to succession plans; appointments and compensation of Senior Management Officers of the Bank based on the recommendations of Management regarding in particular the following:-
  - succession plans: manager dashboard, departmental succession planning, key business issues and people implication; people and organization and commitment,

- the appointment of key management personnel,

- compensation for senior management officers, packages needed to attract, retain, and motivate qualified and competent management staff.

The Committee shall consider and adopt its own agenda. The Committee will meet at least twice a year. The quorum for a meeting is three (3) Committee members. A Committee meeting shall be deemed to have taken place if any technological means allows any of its members to participate in discussions even if not all of them are physically present in the same place. A member who is not physically present but participating by technological means is taken to be present.

Minutes of the Committee, taken by the Company Secretary as and when adopted, shall be kept as official records. Minutes of each Committee meeting must be included in the papers prepared for the next full Board meeting. Minutes shall be distributed to all Committee Members after the Committee has adopted it and the Chairman has duly countersigned it. Minutes, agenda and supporting documentation are available to Directors upon request to the Company Secretary.

The Committee Chair shall submit a report to the Board of Directors after each Committee meeting. The Committee may seek any information it considers necessary to fulfill its objectives and shall have access to Management by way of explanations, information, views and comments. The Nomination and Compensation Committee shall review its Charter when it considers necessary with the approval of the Board of Directors which shall be granted by a resolution.

2022 Report from the nomination and compensation committee
Current membership

- Mrs Laurette Otchere - Chair
- Mr Georges Wega - Member
- Mr Hakim Ouzzani - Member
- Mr Arthur Bright - Member

Meetings in 2022

Five meetings were held in the year 2022 on 16 February 2022, 20 April 2022; 16 June 2022, 12 July 2022 and 24 November 2022.

Summary of issues discussed

During the period under review, the Committee discussed and analysed the Ghana National Banking College Corporate Governance Training for the Board of Directors and the fees to be incurred by the Bank; Nominations to the Board, Nominations of Key Management Personnel; Organisation Chart; Proposal in respect of Directors Fees and Allowances; the vacant positions at the Human Resources Department; The Committee also reviewed the Compliance Opinion of Mrs. Peggy Osei Tutu Dzodzomenyo a proposed nominee for the position of an Independent Non-Executive Director; Mr Arthur Bright a proposed nominee for the position of a Non-Executive Director, the Compliance Opinion of Mr. Kwame Abbey, a nominee for the position of Deputy Managing Director in charge of Support Functions and the proposal for an external evaluation of the Board of Societe Generale Ghana.

Recommendations made to the Board for approval

- Quarterly Corporate Organization Chart
- External Board Appraisal by PWC
- 2022 Board Self-Appraisal for all the Board of Directors
- Nomination of Mrs. Peggy Osei Tutu Dzodzomenyo as an Independent Non-Executive Director
- Appointment of Mrs. Peggy Osei Tutu Dzodzomenyo as Chair of the Independent Directors Committee
- Nomination of Mr. Arthur Bright as a Non-Executive Director
- Nomination of Mr. Kwame Abbey as the Deputy Managing Director in charge of Support Functions
- Nomination of Mrs. Mildred Caesar as Head, Human Resource Management

The Cyber and information security committee
The Cyber and Information Security Committee is responsible for Security risk management strategy; and approving the Bank's policies on cyber and information security, outsourcing, survivability, backup and recovery from cyber incidents and attacks, and disaster events. The purpose of the Cyber and Information Security Sub-Committee of the Board is to assist the Board in fulfilling its oversight responsibilities of the Cyber and Information assets of the Bank. This includes:

- ensuring that adequate systems are in place to protect the Bank's information and data assets, IT infrastructure, intellectual property as well as other third party confidential information in the possession of the Bank.

- ensuring that effective internal controls and risk management practices are implemented to achieve security, reliability, availability, resiliency, and recoverability.

- responding to and managing any Cyber and Information Security threats and breaches.

Membership of the Committee

The Committee shall be composed of not less than three (3) members of the Board who are suitably skilled and possess the relevant skill as required by the Sub-Committee. The Chairperson and members of the Sub-Committee shall be appointed by the Board and shall serve for an initial term of 3 years which may be extended by not more than 2 additional years. The Committee members and the Chairperson shall serve until they are replaced, resign or their successors are duly nominated and elected by the Board.

The Sub-Committee shall meet at least twice each year and as often as may be deemed necessary or appropriate. Two (2) members of the Sub-Committee shall constitute a quorum for the transaction of its business. A quorum shall be reached with the attendance of the members either in person or by telephone or video conference.

The Chairperson of the Sub-Committee shall be appointed by the Board and shall preside at all meetings. In his/her absence, the remaining members present shall nominate another Non-Executive member to chair the meeting.

The following officers of the Bank shall attend all meetings of the Sub-Committee- Chief Operating Officer; Information Officer; Chief and Information Security Officer. Members of the Board who are not members of the Sub-Committee may, at the request of the Chairperson attend meetings. However, such Non-Committee members shall have no voting rights. The Sub-Committee may request members of management or other officers of the Bank to attend all or any part of any meeting or to provide relevant information in written form. The Chief Operating Officer has the role as Director of Cyber and Information Security (DCIS).

The Chairperson shall, in coordination with the Secretary to the Sub-Committee, be responsible for scheduling all meetings and providing a written agenda for each meeting. Members of the Sub-Committee shall each be entitled to one (1) vote, a majority of votes shall decide a matter, and in the event of a tie, the Chairperson shall have a casting vote. The Sub-Committee shall report to the full Board regularly following each meeting and make such recommendations to the Board as it deems appropriate.

The Committee has an oversight role, and in fulfilling that role, may rely on reviews and reports provided by management and the Committee's advisors. In performing its oversight responsibilities, the Committee may, as and to the extent that it determines appropriate, review with management and the Board, and actively advise them regarding, the following matters:

- the implementation of information technology requirements of the Societe Generale Group and the requirements of the Bank of Ghana Cyber and Information Security Directive 2018;
- the effectiveness of the Bank's Cyber and Information Security programs and its practices for identifying, assessing and mitigating cyber and information security risks across all business functions;
- the Bank's controls to prevent, detect and respond to cyber-attacks or information or data breaches involving SG Ghana electronic information, intellectual property and data;
- management's implementation of cybersecurity programs and risk policies and procedures and management's actions to safeguard their effectiveness and the integrity of SG Ghana's information technology systems and facilities;
- cyber crisis preparedness, incident response plans, and disaster recovery capabilities;
- reviewing reports and presentations received from management and the Committee's advisors, including as appropriate the DCIS, CISO and other employees of the Bank ,external auditors, internal auditors, legal advisors and other external experts regarding the management of cyber and information security programs and risks; and
- other matters as the Committee Chair or other members of the Committee determine relevant to the Committee's oversight of cybersecurity programs and risk assessment and management.

2022 Report from the cyber and information security committee

Current Membership

• Mr. Yvon Puyou	-	Chairman
• Mr Francis Awua-Kyerematen	-	Member
• Mr. Fosuhene Acheampong	-	Member
• Mr. Hakim Ouzzani	-	Member

Meetings in 2022

Three meetings were held in the year 2022 on 13 April 2022, 19 July 2022, and 20 October 2022.

Summary of issues discussed

The implementation of the Bank of Ghana Cyber and Information Security Directive 2018. These are categorized into 3 parts:

- the ISO/IEC 27001 Certification which establishes the Information Security Management System such as the policies, procedures, processes and technologies used to manage information security risks in the Bank
- the PCI-DSS Certification which ensures that Payment Card Data of Customers are managed in compliance with the internationally accepted Payment Card Data Security Standard

- other Information Security requirement not covered by the ISO 27001 or PCI-DSS Standards such as in the areas of Electronic Banking, Recruitment and Termination of Staff, Contracts with Vendors and Suppliers, Physical Security, Applications and Software, Communication Networks

The Bank has the following certifications ISO27001 certification and ISO/IEC 27001:2013 Certification and PCI-DSS Certification.

Recommendations made to the Board of directors for approval

- Cyber and Information Security Report to be submitted to the Bank of Ghana
- Electronic Banking Policy
- Sensitive Positions Policy

Committee of Independent Directors

The purpose of the Committee of Independent Directors shall be to determine the remuneration of Executive Directors.

Membership of the Committee

The Committee shall be composed of not less than two (2) members of the Board who are Independent Directors. The Chairperson and members of the Sub Committee shall be appointed by the Board and shall serve for an initial term of 3 years which may be extended by not more than 2 additional years. The Committee members and the Chairperson shall serve until they are replaced, resign or their successors are duly nominated and elected by the Board.

The Committee shall determine the emoluments of Executive Directors. The Committee shall consider and adopt its own agenda. The Committee shall meet at least once a year. The quorum for a Committee meeting is two(2) Committee members. A Committee meeting shall be deemed to have taken place if any technological means allows any of its members to participate in discussions even if not all of them are physically present in the same place. A member who is not physically present but participating by technological means is taken to be present.

Minutes of the Committee, taken by the Company Secretary as and when adopted, shall be kept as official records. Minutes of each Committee meeting must be included in the papers prepared for the next full Board meeting. Minutes shall be distributed to all Committee Members after the Committee has adopted it and the Chairman has duly countersigned it.

Minutes, agenda and supporting documentation are available to Directors upon request to the Company Secretary.

The Committee Chair shall submit a report to the Board of Directors after each Committee meeting. The Committee may seek any information it considers necessary to fulfill its objectives and shall have access to Management by way of explanations, information, views and comments.

2022 Report from the independent directors committee

Current membership

- Mrs Peggy Osei Tutu Dzodzomenyo - Chair
- Mr Francis Awua-Kyerematen - Member
- Mrs Juliana Asante - Member

Meetings in 2022

Two meetings were held in the year 2022 on 6 January 2022 and 23 November 2022.

Summary of issues discussed

The Terms of Reference were discussed. This covered the Purpose; Membership, Scope; Agenda; Quorum; Minutes; Reporting to the Board and Access to Information and Independent Advice. The Committee had convened pursuant to Section 72(d) of the Bank of Ghana Corporate Governance Directive 2018 which provided that a committee of independent directors shall determine the remuneration of executive directors. The Emoluments of the Executive Director was discussed.

Recommendations made to the Board of directors for approval

A recommendation was made to the Board for the approval of the emoluments of the Executive Director.

Other engagements of directors

The Board are 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:

Types and duties of outside board and management positions.

Name	Nationality	Age	Position	Appointed	Profession & Directorships
Margaret Boateng Sekyere	Ghanaian	60	Independent	2019	• Accountant
Hakim Ouzzani	French	54	Executive	2016	• Banker • SSB Investments Ltd
Laurette Korkor Otchere	Ghanaian	60	Non-Executive	2017	• Deputy Director General SSNIT • Total Oil Co. Ltd • Barrister at Law • Human Resource Expert
Agnes Tauty Giraldi	French	57	Non-Executive	2018	• Banker • SG Managing Director; Europe, Africa, Structured Trade Receivables Finance
Arnaud De Gaudemaris	French	46	Non-Executive	2019	• Banker • Director SG Benin
Francis Awua-Kyerematen	Ghanaian	54	Independent Non-Executive	2021	• Chartered Accountant • Managing Director, Winchmore Capital Ltd • Cenit Energy Limited • Council for Technical & Voca-tional Education and Training
Georges Wega	Cameroonian	53	Non-Executive	2019	• Banker • Director SG Benin
Fosuhene Acheampong	Ghanaian	59	Non-Executive	2020	• Chartered Accountant • Director Cedar Seal Company
Juliana Asante	Ghanaian	56	Independent Non-Executive	2021	• Chartered Accountant • Director Integritas Limited • World Athletics
Yvon Puyou	French	57	Non-Executive	2022	• Banker • Chief Information Officer at Societe Generale African Mediterranean & Overseas
Peggy Dzodzomenyo	Ghanaian	64	Independent Non-Executive	2022	• Member of Board of Trustees Matthew 25 Palliative Care Centre • Council Member of Cardinal Turkson Foundation for Education and Health. • Board Member of Martin de Pores Basic School, Dansoman.
Arthur Bright	Cameroonian	35	Non-Executive	2022	• Banker • Chief of Staff SG African Mediterranean& Overseas

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 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, 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 is included in the annual report of the Bank. A detailed copy of the report was submitted to the Bank of Ghana. This will be undertaken once every two years.

Statement on the external board evaluation

The Bank of Ghana Corporate Governance Directive was issued under the powers conferred by Sections 56 and Section 92(1) of Banks & Specialised Deposit Taking Institutions Act 2016 Act 930 and applies to Banks Savings and Loans Companies Finance Houses and Financial Holding Companies licence or registered under Act 930

Sections 46 and 47 of the Corporate Governance Directive 2018 stipulates that the Board must undertake a formal and rigorous evaluation of its performance with external facilitation of the process every two years.

Ernst and Young Advisory services conducted the external board evaluation for the year 2020.
PriceWaterHouseCoopers Ghana Limited ("PWC") of PWC Tower, A4 Rangoon Lane Cantonments City, PMB CT42 Cantonments Accra conducted an external Board evaluation for the years 2021 and 2022. The areas covered by the PWC External Board evaluation were an assessment of Societe Generale Ghana PLCs current Board practices in line with:-

1. Bank of Ghana Corporate Governance Directive
2. Securities & Exchange Commission Corporate Governance Code for Listed Companies 2020
3. The Companies Act 2019 Act 922
4. The Bank of Ghana Cyber & Information Security Directive
5. The Bank of Ghana Fit and Proper Persons Directive 2019
6. Corporate Governance Leading Practices

Individual Directors Assessment Report for the year ended 31 December 2022

The Directors review and appraisal was undertaken which covered the Boards performance, the sub committees and individual Board members. This was to review the effectiveness of Societe Generale's own governance practices and procedures. This review is critical to improving the standard of corporate governance and the overall performance of the Board.
The Board of Directors of Societe Generale Ghana had an overall Board Performance average score 93.37% covering overall performance; continuous learning, time commitment and peer assessment. The analysis highlighted the overall score of 93.97% per the assessment of each members expertise based on the following criteria:-

1. Directors Assessment of Board members performance
2. Commitment to continuous Learning & Development
3. Time Commitment of Board members to the Business of the Bank.

- Based on the Directors Training attendance reviewed, the members of the Board obtained an average score of 9.52 out of 10 which translates to 95.2% of the training attendance by Board members.
- The Directors time commitment to the Business of The Bank was assessed based on their attendance to Board meetings, Committee meetings and the Annual General meeting in 2022. Directors obtained an average score of 8.66 out of 10 representing 86.6% attendance.
- Based on Peer Rating of the Board of Directors, Directors received an average score of 75.19 out of 80 representing 93.9% on the criteria of Leadership, Knowledge & Understanding; Relationship, Communication and Meeting Participation.

Independent Corporate Governance & Board Evaluation Report 2021 -2022

The PWCs Independent Corporate Governance & Board Evaluation included analysis of relevant documentation such as the Board Charter, committee minutes, files of Board members, discussions with the Chairman of the Board, the Managing Director, the Deputy Managing Director and Key Management Personnel.

PWC's overall assessment was that the Board and Management generally complied with the benchmark criteria used for the analysis during the period under review ie Bank of Ghana Corporate Governance Directive 2018; The Corporate Governance Code for Listed Companies 2020 Securities & Exchange Commission Directive; The Companies Act 2019 Act 922; The Bank of Ghana Cyber & Information Security Directive; The Bank of Ghana Fit and Proper Persons Directive 2019 and Corporate Governance Leading Practices.
The PWC Corporate Governance Evaluation review covered

Board Charter and Terms of Reference; Societe Generale Ghana's Policies and Strategies; Company incorporation documents; Curriculum Vitae of Board members; Leadership; Board Committees structure, composition, membership and Committee charters; Board dynamics processes effectiveness and performance; strategy and business monitoring; Oversight of financial performance, risk management and compliance; Transparency and accountability.

The scope of the Board Evaluation Review covered The Board's Mandate/Term of Reference; Succession Plan and appointment to the Board; Board Structure and composition; Board dynamics; Board knowledge and experience; Board responsibilities; Board and Committee Charters; Board Responsibilities; Board Processes; Board relationship with stakeholders; Responsibilities and reporting lines; meetings and administration; Board Secretariat; Board performance evaluation and remuneration; Board focus; oversight of executive performance and induction and training.

Questionnaires were designed by PWC and administered to each Board member to obtain each Directors view on the Banks corporate governance practice. All 12 Board members completed their questionnaires.
In general, the Directors assessed the practices of the Board as fully satisfactory.
The Board scored above average in the overall evaluation with a score of 4.26 out of an expected mean of 5. The score was arrived at calculating the average score of the total sum of all the 27 questions answered.
PWC's Independent Corporate Governance & Board Evaluation Report 2021-2022 has been presented to the Board of Directors on 27th April 2023. Thereafter, the Report was submitted to the Bank of Ghana.

A Board of Directors work shop would be held in 2023 to analyse the Recommendations and an Acton Plan would be put in place to comply with the recommendations. The report indicated that out of 26 Key Findings from a review in 12 areas, there were 23 opportunities for improvement and 3 possible noncompliance areas.

Conflicts of Interest
The Board has in place a conflict of interest policy which includes ;

- the duty of the director to avoid possible activities that could create conflicts of interest;
- 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;
- the duty of the director to disclose any matter that may result, or has already resulted in a conflict of interest;
- the responsibility of the director to abstain from voting as prescribed and on any matter where the director may have conflict of interest;
- 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. The Board maintains an up-to-date register for documenting and managing conflict of interest situations in the Company.

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 as at 2018 and the Societe Generale Code Book A on Governance and Organisational Principles which was published for all entities under the Group in May 2020.

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

- that the activities of the Banking Institution are consistent with the business strategy, risk tolerance/appetite and policies approved by the Board
- that it establishes a management structure that promotes accountability and transparency
- the 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.

Risk management function
The Board has in place a risk management function responsible for:

- identifying key risks to the Bank,
- assessing those risks and the Bank's 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 has no involvement 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, and the sophistication of the risk management and internal control infrastructure - including, in particular, a 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 the Bank have 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 in details, the number of shares held by the top 20 Shareholders.

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

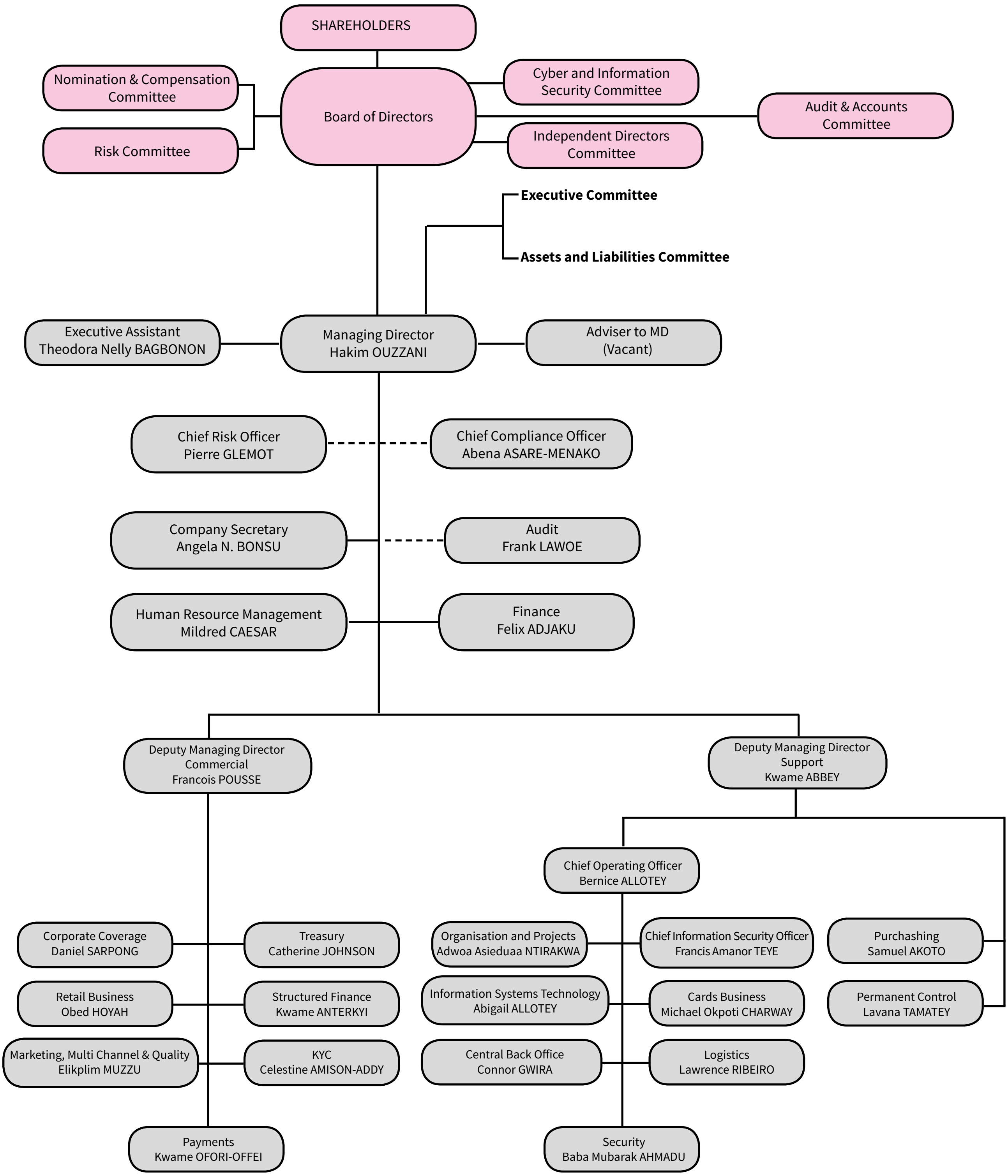
- prudent risk taking;
- levels of remuneration are sufficient to attract, retain and motivate executive officers of the bank and this is balanced against the interest of the bank in not paying excessive remuneration;
- where remuneration is tied to performance, it shall be designed in such a way as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

Executive directors are not entitled to sitting allowances and directors' fees; Non-Executive directors' remuneration be limited to directors' fees, sitting allowances for Board and Committee meetings and are not performance related.

Disclosure and Transparency

The bank has submitted a list of its significant shareholders, directors and Key Management personnel as at 31 of December to the Bank of Ghana by 15 January of the following year. Below is the Corporate Structure of the Bank.

CORPORATE STRUCTURE



Ethics and professionalism
The Bank has in place, a Code of Conduct which was duly approved by the Board of Directors. 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 Bank of Ghana Corporate Governance Directive 2018 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 Constitution 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 all times in what he or she believes to be the best interests 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 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. Therefore, it draws up the financial statements then presents them to the shareholders' meeting for approval.
- it must assess the way it operates annually.

There are five 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; the Cyber and Information Security Committee and Independent Directors 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 a twelve-member Board comprising one executive director; four Independent directors and seven 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;

- 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 remuneration 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. The constitution of the Company provides that remuneration 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 is 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.

The Constitution of the Company provides 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 from 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 and confer upon a Managing Director any of the powers exercisable by them upon such terms and with such restrictions as they think fit. 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 appoint 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. 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 Statements, the Auditors Responsibility, Opinion and Report on other legal and regulatory requirements.

External Auditors of the Bank

Pursuant to Section 139 of the Companies Act, 2019 (Act 992) and Section 44 of the Constitution of the Company, shareholders of the Bank appointed Deloitte & Touche as Auditors of the Company on 29 September 2022. Thus, they are in their first year of providing auditing services to the bank. The Bank also received the approval of the Ghana Securities & Exchange Commission and the Bank of Ghana to appoint Deloitte & Touche as external auditors for Societe Generale Ghana PLC.

Messrs Ernst & Young was appointed as Auditors of Societe Generale Ghana PLC on 31 March 2017. Pursuant to Section 139 (11) of the Companies Act, 2019 (Act 992). Their tenure came to an end at the close of the 42nd Annual General Meeting held on 29 September 2022.

In accordance with Section 139 (5) of the Companies Act, 2019 (Act 992), the auditors, Messrs. Deloitte & Touche will continue in office as auditors of the bank.

Report of the Directors cont'd

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

Auditors Remuneration
The Auditors remuneration is determined in accordance with Section 140 of the Companies Act, 2019 (Act 992).

Stated Capital of the Bank
The stated capital of the Bank is GHS 404,245,427.

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

Corporate Governance

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

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 2022. 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 Periodic Control, Permanent Control; Compliance; 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.

Approval of the report of the directors and the financial statements
The report of the directors and the financial statements were approved by the board of directors on 27 April 2023

By order of the Board

Board Chair
(Margaret Boateng Sekyere)
ACCRA
27 April 2023

Francis Awua-Kyerematen
(Audit And Accounts Committee Chairman)
ACCRA
27 April 2023

P. O. Box GP 453
Accra
Ghana

Deloitte & Touche
Chartered Accountants
The Deloitte Place, Plot No. 71
Off George Walker Bush Highway
North Dzorwulu
Accra
Ghana

Tel: +233 (0)302 775355
Email:ghdeloitte@deloitte.com.gh

Independent auditor's report
To the shareholders of Societe Generale Ghana Plc

Report on the audit of the financial statements

Opinion
We have audited the accompanying financial statements of Societe Generale Ghana Plc, set out on pages 53 to 114, which comprise the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, the notes to the financial statements, including a summary of significant accounting policies and other explanatory disclosures.

In our opinion, the financial statements give a true and fair view of the financial position of Societe Generale Ghana Plc as at 31 December 2022, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, the requirements of the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the requirements of the International Ethics Standards Board for Accountants' (IESBA), International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) and other independence requirements applicable to performing audits of financial statements in Ghana. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of financial statements in Ghana.

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

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

Deloitte.

Independent auditor's report

To the shareholders of Societe Generale Ghana Plc

Key Audit Matter	How our audit addressed the Key Audit Matter
Impairment allowance on loans and advances	
As at 31 December 2022, the Bank's gross loan and advances portfolio was GH¢ 3,635.01 million (2021: GH¢ 2,804.86 million) with an associated expected credit losses ("ECL" or "loss allowance") of GH¢ 433.73 million (2021: GH¢ 234.15 million). As described in notes 2.17, 20d, 20e and 20f to the financial statements, ECL represents a complex accounting estimate and involves management's evaluation of probable loan losses expected to be incurred over the life of the loan. ECL was considered to be a key audit matter due to the level of significant judgement applied by management in its determination and the increased uncertainty related to the impact of local economic challenges. The determination of related loss allowance is judgmental in nature. We have identified a risk that loans and advances that have met the Bank's policy on default criteria and therefore should move to Stage 2(lifetime expected credit losses staging bucket) or Stage 3 (lifetime expected credit losses staging bucket) have not been appropriately identified and thus the ECL determined may have been misstated.	We performed the following procedures with the assistance of our credit specialists: • Updated our understanding of management's processes around the measurement of the ECL including management's modelling methodology and incorporation of assumptions. • Evaluated the design and tested the implementation of relevant controls relating to the determination of changes in credit risk i.e., significant increases in credit risk and default criteria • Reviewed the appropriateness of management judgements/assumptions used in the determination of the appropriateness of staging of loans. • Assessed conformity of management's ECL policy with Central bank's regulatory directives (including current guidance) and IFRS. • Evaluate the ongoing impact of the current macro-economic conditions on changes in credit risk • Engaged loan officers and others (legal) to evaluate the completeness of the assessment of whether facilities that have significant increases in credit risk/default risk have been appropriately identified and staged • Evaluated whether the staging used in the final ECL model appropriately reflects the determined staging buckets and all relevant considerations • Evaluated management's calculation of the ECL for arithmetical accuracy • Based on an audit sample, agreed the input data (for example days past due) to underlying audit evidence including loan systems data and loan documentation • Evaluated the disclosures made with respect to staging of ECL are appropriate within the context of the Bank and current circumstances Based on the procedures described above, we found management's estimate to be reasonable.

Deloitte.

Independent auditor's report
To the shareholders of Societe Generale Ghana Plc

Key Audit Matter	**How our audit addressed the Key Audit Matter**
Impairment of Government of Ghana (GoG) Debt instruments	
On 5 December 2022, the Government of Ghana launched the Domestic Debt Exchange Programme ("Debt Exchange") for a voluntarily exchange of holdings of domestic notes and bonds, including E.S.L.A. and Daakye bonds ("Old Bonds") but excluding Treasury Bills, for a package of New Bonds to be issued by the GoG. As at 31 December 2022, the Bank's investment in GoG debt instruments was GH¢ 909.31 million (2021: GH¢ 1,471.91 million) with an associated expected credit losses ("ECL" or "loss allowance") of GH¢ 68.78 million (2021: GH¢ 0.71 million). The accounting policies, critical estimates and judgements related to GoG Debt instruments are described in notes 2.17, 21a to the financial statements. The determination of an appropriate discount rate for the purpose of fair valuing the new bonds was considered a key audit matter as it is not a simple process especially as these new bonds are yet to be issued and there is no market data, with the need for supportable information on the key assumptions made by management in its determination of the discount rate. It is likely that the determination of discount rates may be based on assumptions by management that may be biased or may not be based on best or supportable factors and therefore not be appropriate.	We performed the following procedures on the assessment of impairment of GoG Debt instruments with the assistance of our credit specialists: • Updated our understanding of management's processes around the measurement of the ECL including management's modelling methodology and incorporation of assumptions. • Evaluated the design and tested the implementation of relevant controls relating to the government bonds. • Reviewed the appropriateness of management judgements/assumptions used in the determination of the discount rates. • Reviewed the staging of different instruments to confirm alignment with the Central bank's directives on DDEP. • Independently determined the cashflows from the new bonds and determined their present values using the discount rate. • Compared the results of the discounted cash flows with the carrying value of bonds. • Recognized the difference between the discounted cash flows and the carrying value of bonds as impairment loss Based on the procedures described above, we found management's assessment of the impairment of GoG Debt instruments to be reasonable.

Deloitte.

Independent auditor's report
To the shareholders of Societe Generale Ghana Plc

Other matter
The financial statements of Societe Generale Ghana Plc for the year ended 31 December 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on 25 February 2022.

Other information
The directors are responsible for the other information. The other information comprises the Our Purpose and Values in the Service of our Clients, Notice and Agenda for Annual General Meeting, Corporate Information, Profile of the Board of Directors, Key Management Personnel, Board Chair's Statement, Managing Director's Review, Report of the Directors, Financial Highlights, the Value-Added Statement, Twenty Largest Shareholders and Annual General Meeting Guidelines, Proxy Form, Resolutions and Branch Network, which we obtained prior to the date of this report. The other information does not include the financial statements and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the financial statements
The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, the requirements of the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit Taking-Institutions Act, 2016 (Act 930) and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Independent auditor's report

To the shareholders of Societe Generale Ghana Plc

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

We also:

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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

- 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 group audit. We remain solely responsible for our audit opinion.

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

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

Deloitte.

Independent auditor's report
To the shareholders of Societe Generale Ghana Plc

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

Report on other legal and regulatory requirements
In accordance with the Seventh Schedule of the Companies Act, 2019 (Act 992) we expressly state that:

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

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

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

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

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

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

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

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

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

Independent auditor's report
To the shareholders of Societe Generale Ghana Plc

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

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

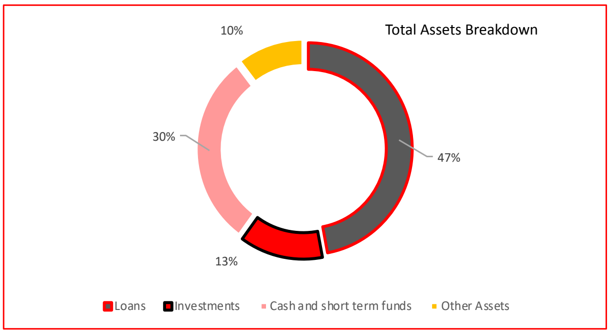
The engagement partner on the audit resulting in this independent auditor's report is **Emmanuel Martey (ICAG/P/1476).**

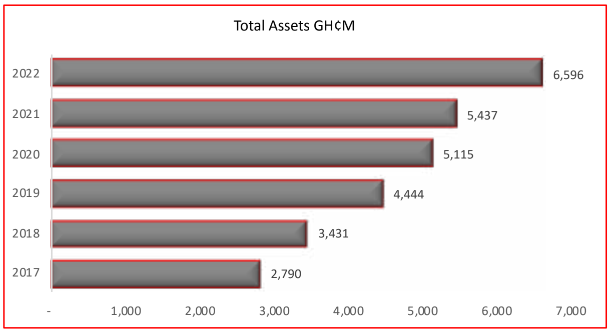
Deloitte & Touche

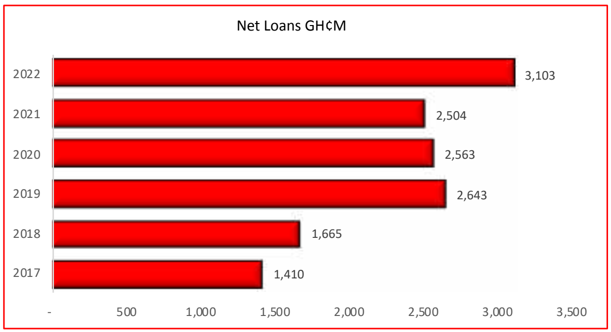
For and on behalf of Deloitte & Touche (ICAG/F/2023/129)
Chartered Accountants
The Deloitte Place
Plot No.71
Off George Walker Bush Highway
North Dzorwulu
Accra – Ghana

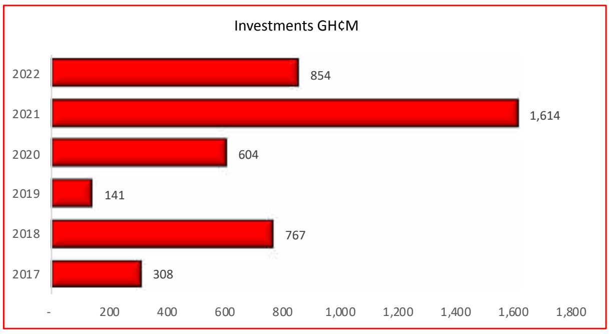
28 April 2023

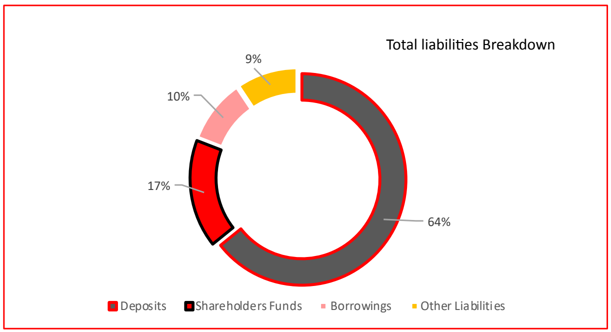
FINANCIAL HIGHLIGHTS

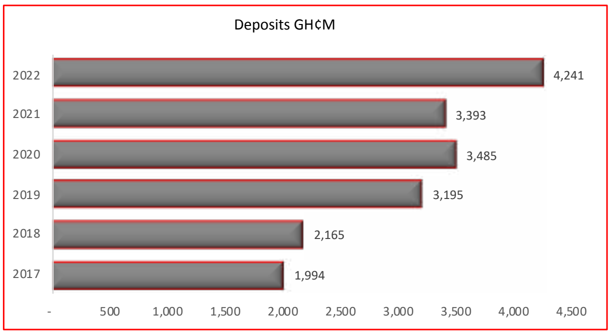


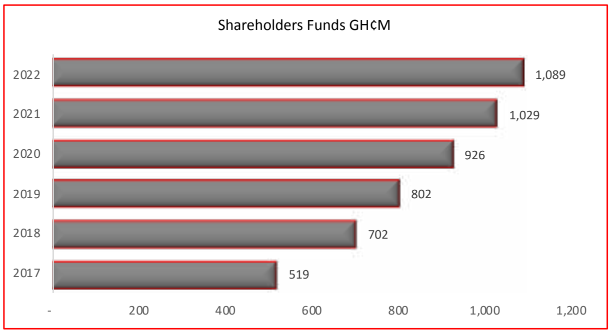


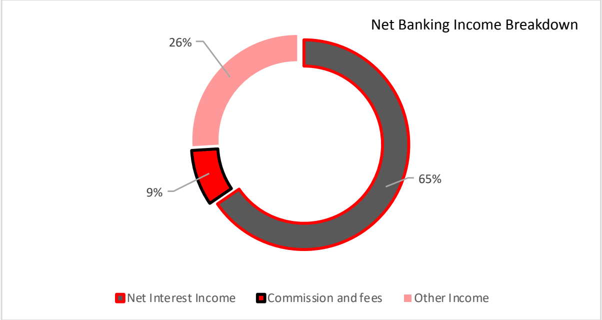


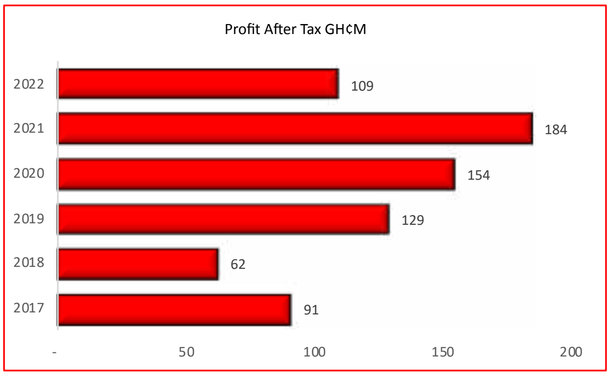


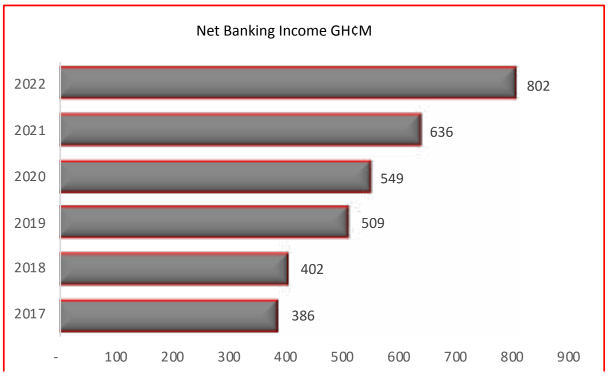












THE FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022	2021
		GH¢	GH¢
Interest income	5	659,497,229	510,992,929
Interest expense	6	(134,930,676)	(109,990,417)
Net interest income		**524,566,553**	**401,002,512**
Fees & commission income	7	105,172,123	77,475,216
Fees & commission expense	8	(36,313,952)	(27,252,208)
Net fees and commission income		**68,858,171**	**50,223,008**
Net trading revenue	9	95,734,001	40,793,352
Net income from other financial instruments carried at fair value	10	64,104,688	52,835,645
Other operating income	11	48,318,570	91,439,536
Total other operating income		**208,157,259**	**185,068,533**
Operating income		**801,581,983**	**636,294,053**
Net impairment loss on financial assets	12	(284,737,040)	(33,407,581)
Operating income net of impairment charges		**516,844,943**	**602,886,472**
Personnel expense	13	(171,621,011)	(135,516,867)
Depreciation and amortization	22a	(39,433,935)	(34,807,599)
Other operating expenses	14	(137,405,680)	(150,595,307)
Profit before income tax		**168,384,317**	**281,966,699**
Income tax expense	15	(59,544,391)	(97,637,066)
Profit after tax expense		**108,839,926**	**184,329,633**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Debt instruments at fair value through other comprehensive income-	40h	(507,879)	(689,424)
Deferred tax credit	15a	126,970	172,356
Other comprehensive income, net of income tax		**(380,909)**	**(517,069)**
Total comprehensive income for the year		**108,459,017**	**183,812,564**
Earnings per share:			
Basic earnings per share (GH¢)	16	0.153	0.260
Diluted earnings per share (Gh¢)	16	0.153	0.260

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 GH¢	2021 GH¢
Assets			
Cash and cash equivalents	17	1,950,873,066	963,960,922
Non-pledged trading assets	18	14,157,407	143,156,280
Derivative financial assets	26	188,780,000	-
Debt instruments at fair value through other comprehensive income	21	43,784,934	87,240,744
Debt instruments at amortised cost	21	796,556,383	1,383,955,004
Loans and advances to customers	20	3,102,993,067	2,504,366,677
Equity Investments	19	3,549,552	2,923,386
Deferred tax assets	15a	89,859,093	27,010,706
Property, plant and equipment	22	292,785,473	255,268,418
Intangible assets	23	10,499,595	15,009,794
Other assets	25	101,997,533	54,130,188
Total assets		**6,595,836,103**	**5,437,022,119**
Liabilities			
Derivative financial liabilities	26	-	40,509,648
Deposits from banks	28	1,145,398	1,916,501
Deposits from customers	28	4,239,568,200	3,391,140,683
Borrowings	27	642,585,961	588,864,628
Current tax liabilities	24	57,267,488	21,325,184
Other liabilities	29	566,631,231	364,700,138
Total liabilities		**5,507,198,278**	**4,408,456,782**
Shareholders' fund			
Stated capital	30	404,245,427	404,245,427
Retained earnings	40c	240,555,598	207,312,183
Revaluation reserve	40d	123,670,260	123,670,260
Statutory reserve	40e	319,728,614	292,518,632
Other reserves	40h	437,926	818,835
Total shareholders' fund		**1,088,637,825**	**1,028,565,337**
Total liabilities and shareholders' fund		**6,595,836,103**	**5,437,022,119**

The accompanying notes form an integral part of these financial statements.
Approved by the Board and signed on its behalf as follows:

Margaret Boateng Sekyere
(Board Chair)
27 April 2023

Francis Awua-Kyerematen
(Audit & Accounts Committee Chairman)
27 April 2023

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Stated capital GH¢	Retained earnings GH¢	Revaluation reserve GH¢	Statutory reserve GH¢	Other reserves GH¢	Total shareholders' equity GH¢
For the the year ended 31 December 2022						
Balance as at 1 January 2022	**404,245,427**	**207,312,183**	**123,670,260**	**292,518,632**	**818,835**	**1,028,565,337**
Movements during the year :						
Profit for the year	-	108,839,926	-	-	-	108,839,926
Other movements in equity:						
Debt Instruments at FVOCI	-	-	-	-	(380,909)	(380,909)
Dividend	-	(48,386,529)	-		-	(48,386,529)
Transfer to statutory reserve	-	(27,209,982)	-	27,209,982	-	-
Balance as at 31 December 2022	**404,245,427**	**240,555,598**	**123,670,260**	**319,728,614**	**437,926**	**1,088,637,825**

	Stated capital GH¢	Retained earnings GH¢	Revaluation reserve GH¢	Statutory reserve GH¢	Other reserves GH¢	Total shareholders' equity GH¢
For the year ended 31 December 2021						
Balance as at 1 January 2021	404,245,427	149,907,074	123,670,260	246,436,224	1,335,904	925,594,889
Movements during the year :						
Profit for the year	-	184,329,633	-	-	-	184,329,633
Other movements in equity:						
Debt Instruments at FVOCI	-	-	-	-	(517,069)	(517,069)
Dividend	-	(80,842,116)	-		-	(80,842,116)
Transfer to statutory reserve	-	(46,082,408)	-	46,082,408	-	-
Balance as at 31 December 2021	**404,245,427**	**207,312,183**	**123,670,260**	**292,518,632**	**818,835**	**1,028,565,337**

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 GH¢	2021 GH¢
Operating activities			
Operating profit before taxation		168,384,317	281,966,699
Adjustments for:			
Impairment provision		285,979,329	42,426,979
Fair value adjustment on equity investment		(626,166)	27,729
Fair value adjustment on non pledged trading assets		352,927	(498,926)
Depreciation and amortization		39,433,935	34,807,599
Other non cash adjustments		-	253,313
Derivative revaluation		(229,289,648)	40,509,648
Unrealized loss on forex revaluation		60,711,093	1,320,467
Operating profit before working capital changes		**324,945,787**	**400,813,508**
Changes in operating and other assets and liabilities			
Change in non-pledged trading assets		128,645,946	(74,760,878)
Change in loans and advances to customers		(799,755,478)	27,865,665
Change in other assets		(50,665,064)	7,878,602
Change in deposit from banks	28	(771,103)	(2,029,437)
Change in deposit from customers		848,427,517	(90,202,638)
Change in other liabilities		194,731,051	54,684,492
		320,612,869	**(76,564,195)**
Income tax paid		**(86,323,504)**	**(113,593,324)**
Net cash flows generated from operating activities		**559,235,152**	**210,655,989**
Cash flow from investing activities			
Purchase of investment securities		(794,670,777)	(1,032,517,701)
Matured investment securities		1,356,764,169	97,146,284
Purchase of property, plant and equipment	22b	(35,324,571)	(9,976,896)
Purchase of intangible assets	23	(37,116,220)	(3,096,344)
Net cash generated from/ (used in) investing activities		**489,652,601**	**(948,444,658)**
Cash flow from financing activities			
Proceeds from borrowings		53,869,563	235,912,636
Repayment of borrowings		(5,718,075)	(13,314,795)
Dividend paid	31	(48,386,529)	(80,842,116)
Net cash flows generated from financing activities		**(235,041)**	**141,755,726**
Change in cash and cash equivalents		**1,048,652,712**	**(596,032,944)**
Net foreign exchange and revaluation difference		(60,711,093)	(1,320,467)
Cash & cash equivalents at 1 January		964,630,209	1,561,983,616
Cash and cash equivalents at 31 December	17	**1,952,571,828**	**964,630,206**
Operational cash flows from interest:			
Interest received		**589,588,536**	**442,305,271**
Interest paid		**128,714,797**	**111,201,903**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. Reporting entity

Societe Generale Ghana PLC (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 2022 were authorized for issue in accordance with a resolution of the board of directors on 27 April 2023.

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 requirement 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 (current) and more than 12 months after the date is presented in note 37 of these financial statements.

2.5 Accounting policies

The accounting policies adapted by the bank are consistent with those of the previous financial year.

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

Societe Generale Ghana PLC 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

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 is 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 is 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.

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.

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 in 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 contributes 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:

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).

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

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.

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 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 corporate 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 exchange gains.

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 .

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. Corporate income tax

Current tax is the tax expected to be payable under the Income Tax Act, 2015 (Act 896) 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.

Corporate 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 accounts receivable and payable 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 receivable or payable 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 Financial Sector Recovery Levy

Under the Financial Sector Recovery Act, 2021 (Act 1067) of Ghana, Banks (excluding rural and community banks) were required to pay a levy of 5% of their profit before tax to raise revenue to support the financial sector reforms and for other matters. The Act was gazetted on 31 March, 2021. The Bank has complied with this statutory obligation.

2.17 Classification and measurement of financial assets and liabilities

2.17.1 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.

2.17.2 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

2.17.3 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 group 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.

2.17.4 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.

2.17.5 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.

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.

2.17.6 Debt instruments measured at FVOCI

Debt instruments are measured at FVOCI only if the assets are held within a business model whose objective is achieved by collecting contractual cash flows and selling financial assets; and the contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) and such assets have not been designated as at FVTPL.

In addition, on initial recognition, the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

2.17.7 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 other operating expenses/income in the Statement of Profit or Loss and Other Comprehensive Income. 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.

2.17.8 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.

2.17.9 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;
- Debt securities classified as at FVOCI;
- Off-balance sheet loan commitments; and
- Financial guarantee contracts.

Financial assets migrate through three stages based on the change in credit risk since initial recognition.

b. Post COVID 19 and DDEP Events

SG Ghana provided financial support to its Clients during the pandemic crises in order to support them financially to make a good impact in the fight against the pandemic. Clients in Corporate and Retail whose sectors or activities were affected by the pandemic issues received reliefs/moratoriums from the Bank. Following the intensified monitoring system during the crises period, some clients who received moratoriums have fully paid off their loans while some are on course with their repayment schedule with business returning to normal.

The provisions for loans in the "Other Loans Especially Mentioned" (OLEM) category which moved from ten percent to five percent during the pandemic per regulatory directives have been reverted to ten percent post COVID. The Bank's portfolio was relatively resilient, thus the impact on our impairments was generally low.

The ECL for 2022 was computed on the assumption that the state is no longer able to service its debts, therefore, some significant decrease will have to be made in the debt, as well as in the spendings, so that the restructured debt becomes again, sustainable.

Impairment was computed on the bond exposure with the government,
Provisions were also made on the loans related to the sovereign,
The other exposures to the central bank (Bills and deposits), considering their very short-term nature and their function as part of the liquidity management of the bank and of the whole banking industry, are not provisioned, as we expect no losses on such exposures.

c. 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.

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.

d. 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.

e. Forward-looking information

The Bank on a yearly basis analyses trends of probability of default, default rates, impairment expense amongst others and how these have evolved in line with the evolution of both historic and future key macro-economic variables. The key macro-economic variables that may have influenced risk levels include GDP growth, Inflation rates, unemployment rates, exchange rates amongst others. A study of both parameters is done to establish any possible correlation which then results in the application of an overlay.

f. 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.

g. 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.

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.

h. 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.

i. 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.

j. 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.

k. 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.

l. 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 Statement of Financial Position 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 Statement of Profit or Loss and Other Comprehensive Income. 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.

m. Repossessed 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 Statement of Financial position.

2.18 Regulatory credit reserve

To 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 reserve 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.

2.19 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.

2.20 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.

2.21 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 the Statement of profit or loss and Other Comprehensive income over the maturity period of the borrowings.

2.22 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 FVOCI 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.

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 revenue.

2.23 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 Statement of profit or loss and Other Comprehensive income. The premium received is recognised in the Statement of profit or loss and Other Comprehensive income 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.

2.24 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 Statement of Financial Position . Accounts included in the other current assets classification may includes inventory of consumables, prepayments and sundry debtors.

3. 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 impairment(Note 2.17.9), the fair value of financial instruments (note 36),depreciation rates on PPE and intangible assets (Note 22a) and legal provisions(Note 34). The key areas stated do not reflect all areas where management may apply judgement. While management makes its best estimates and assumptions, actual results could differ from these estimates and assumptions.

3.1 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 15a.

4. 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) that was issued in 2005. 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.

A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Company.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. The Company is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

Definition of Accounting Estimates - Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments are not expected to have a material impact on the Company's financial statements.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

The Company is currently assessing the impact of the amendments.

5.	Interest income	2022 GH¢	2021 GH¢
	Placements	19,366,779	16,565,661
	Investments securities	86,854,474	95,664,661
	Loans and advances	553,275,976	398,762,607
		659,497,229	**510,992,929**

Interest income recognition was based on the effective interest rate (EIR).

6.	Interest and similar expense	2022 GH¢	2021 GH¢
	Savings accounts	46,004,614	39,024,090
	Current accounts	1,163,349	586,060
	Term deposits	46,434,895	52,470,259
	Borrowings	41,327,818	17,910,008
		134,930,676	**109,990,417**

Interest expense recognition was based on the effective interest rate (EIR).

7.	Fees and commission income	2022 GH¢	2021 GH¢
	Domestic operations	82,069,305	62,985,482
	Cards operations	23,102,818	14,489,734
		105,172,123	**77,475,216**

Fees and commission income was earned at a point in time

8.	Fees and commission expense	2022 GH¢	2021 GH¢
	Cards operations expense	30,020,366	24,411,185
	Cheque books expense	336,169	283,355
	Cash collection expense	5,957,417	2,557,668
		36,313,952	**27,252,208**

Fees and commission expenses were incurred at a point in time

9.	Net trading revenue	2022 GH¢	2021 GH¢
	Forex trading gains	665,023,739	160,227,667
	Forex trading losses	(569,289,738)	(119,434,315)
		95,734,001	**40,793,352**

Notes to the Financial Statements cont'd

10. Net income from other financial instruments carried at fair value	2022 GH¢	2021 GH¢
Gain from swap	34,628,103	32,561,315
Gain on bond trading	28,850,419	20,302,059
Fair value on equity instruments (Note 19a)	626,166	(27,729)
	64,104,688	**52,835,645**

11. Other operating income	2022 GH¢	2021 GH¢
Exchange loss	(60,711,093)	(1,320,467)
Rent/hiring fees	44,463	39,960
Postages	115,675	94,351
Miscellaneous and others*	108,869,525	92,625,692
	48,318,570	**91,439,536**

* Included in this amount is a figure of GH¢ 96,588,162 being prior year provision reversals(2021 - GH¢ 92,477,629). The provisions relate to Group technological service fees which were reversed following regulatory non- approvals and received invoices being above authorized payment limits.

12. Net impairment loss on financial assets	2022 GH¢	2021 GH¢
Specific impairment	169,401,266	33,976,556
Portfolio impairment	116,578,063	8,450,423
Total impairment	**285,979,329**	**42,426,979**
Recoveries	(1,242,289)	(9,019,398)
Net impairment	**284,737,040**	**33,407,581**

12a. Total impairment	2022 GH¢	2021 GH¢
Cash and cash equivalents (Note 17c)	1,029,478	243,616
Investment securites	68,253,161	208,198
Loans and advances (Note 20f)	201,129,088	30,474,333
Lcs and guarantees (off balance sheet liabilities) (Note 33b)	7,200,038	(2,287,247)
Equity Investment	8,367,564	13,788,080
Total Impairment	**285,979,329**	**42,426,979**

*Included in the expected credit loss for loans and advances is an amount of GH¢1,304,750 in respect of loans written off in the current year.

13. Personnel expenses	2022 GH¢	2021 GH¢
Salaries, bonuses and staff allowances	128,244,437	108,047,866
Social security fund contribution	7,872,312	7,117,426
Provident fund contribution	6,041,103	5,602,865
Medicals	4,910,947	4,635,152
Insurance	1,157,989	860,677
Termination expenses	-	3,918,729
Training	515,202	539,124
Other employee costs	17,389,854	1,214,738
Directors emoluments (Note 13a)	5,489,167	3,580,290
	171,621,011	**135,516,867**

The average number of persons employed by the Bank during the year was 542 (2021: 537).

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.

13a. Directors emoluments

	2022 GH¢	2021 GH¢
Directors salaries and allowances	3,425,044	2,628,396
Directors expenses	257,658	134,027
Directors fees	1,806,465	817,867
	5,489,167	**3,580,290**

14. Other operating expenses

	2022 GH¢	2021 GH¢
Donations	252,719	442,883
Advertising and marketing	2,818,104	4,509,393
Office expenses (Note 14a)	45,006,678	39,250,437
Administrative expenses	10,580,306	8,795,286
General expenses (Note 14b)	78,747,873	97,597,308
	137,405,680	**150,595,307**

14a. Office expenses

	2022 GH¢	2021 GH¢
Utilities	7,194,915	6,588,880
Maintenance of computer software & hardware	13,523,149	11,286,715
Network and communication	6,361,486	4,936,948
Office and computer stationery	1,286,409	948,498
Repairs to furniture & equipment	2,250,806	2,154,873
Resource hiring	5,997,554	5,880,750
Other office expenses	8,392,359	7,453,773
	45,006,678	**39,250,437**

14b. General expenses

	2022 GH¢	2021 GH¢
Professional fees and charges	3,462,329	3,389,445
Repairs and rental of equipment	2,740,006	2,655,211
IT support services	49,153,923	63,350,166
Other general expenses	23,391,615	28,202,486
	78,747,873	**97,597,308**

14c. Auditors' remuneration

	2022 GH¢	2021 GH¢
Statutory audit	**674,000**	**613,813**

Auditors' remuneration in relation to statutory audit amounted to GH¢ 674,000 (2021 : GH¢ 613,813).

15. Income tax expense

	2022 GH¢	2021 GH¢
Corporate tax (24a)	(105,427,376)	(83,513,629)
Deferred tax (15a)	62,721,417	11,528,917
National stabilization levy (15b)	(8,419,216)	(14,098,333)
Financial sector recovery levy (15c)	(8,419,216)	(11,554,021)
Charge to statement of profit or loss and other comprehensive income	**(59,544,391)**	**(97,637,066)**

15a. Deferred tax

	2022 GH¢	2021 GH¢
Balance as at 1 January	27,010,706	15,309,433
Tax expense recognised in profit or loss during the year	62,721,417	11,528,917
Tax recognised in OCI during the year	126,970	172,356
Balance as at 31 December	**89,859,093**	**27,010,706**

Deferred tax assets and liabilities are attributable to the following:

	2022			2021		
	Assets GH¢	Liabilities GH¢	Net GH¢	Assets GH¢	Liabilities GH¢	Net GH¢
Property, plant and equipment	-	(41,223,420)	(41,223,420)	-	(41,223,420)	(41,223,420)
Other timing differences						
Capital allowance	-	(1,945,196)	(1,945,196)	-	(229,116)	(229,116)
Other provisions	133,173,684	-	133,173,684	68,736,187	-	68,736,187
FVOCI instrument	-	(145,975)	(145,975)		(272,945)	(272,945)
Net tax assets/(liabilities)	133,173,684	(43,314,591)	89,859,093	68,736,187	41,725,481)	27,010,706

15b. National stabilization levy

	2022 GH¢	2021 GH¢
Analysis of charge for the year		
Charge to statement of profit or loss and other comprehensive income	(8,419,216)	(14,098,333)

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.

15c. Financial sector recovery Levy

	2022 GH¢	2021 GH¢
Analysis of charge for the year		
Charge to statement of profit or loss and other comprehensive income	(8,419,216)	(11,554,021)

The Financial Sector Recovery Levy was instititited as a levy on banks to raise revenue to support the financial sector reforms and to provide for related matters. Thus , In accordance with the Financial Sector Recovery Levy Act ,2021 Act 1067 , all Banking Instituitions (excluing rural banks and community banks) are required to pay 5% of profit before tax as a Levy . The Act was gazetted on 31 March,2021.

15d. Factors affecting the corporate 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:

	2022 GH¢	2021 GH¢
Pretax profit for the year	168,384,318	281,966,699
Tax charge thereon at Ghana corporate tax rate of 25%	42,096,079	70,491,675
Factors affecting Charge:		
Non deductible expenses	609,880	1,493,036
National Stabilisation Levy	8,419,216	14,098,335
Financial Sector Recovery Levy	8,419,216	11,554,021
Tax on corporate profit (Note 15)	**59,544,391**	**97,637,067**
Effective Corporate Income tax rate	**35.4%**	**34.6%**

The tax charge on profit for the year is based on Ghana's corporate tax rate of 25% . A National Stabilisation Levy and a Financial Sector Recovery Levy are also both charged at 5% each (2021 : Corporate tax 25%, National Stabilisation Levy 5%, Financial Sector Recovery Levy 5%).

16. 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:

	2022	2021
Profit attributable to shareholders of the Bank (GH¢)	108,839,926	184,329,633
Number of Shares		
Weighted Average number of oustanding ordinary shares	709,141,367	709,141,367
Basic Earning per Share (GH¢)	0.153	0.260
Diluted Earnings per Share (GH¢)	0.153	0.260

Diluted Earnings per Share

The Bank has no category of dilutive potential ordinary shares.

17. Cash and cash equivalents

	2022 GH¢	2021 GH¢
Cash on hand and cash balances with Bank of Ghana (Note 17a)	1,368,343,534	681,248,249
Due from banks and other institutions (Note 17b)	584,228,294	283,381,957
Gross cash and cash equivalent	**1,952,571,828**	**964,630,206**
Less impairment	(1,698,762)	(669,284)
	1,950,873,066	**963,960,922**

17a. Cash on hand and cash balances with Bank of Ghana

	2022 GH¢	2021 GH¢
Cash on hand	149,175,013	122,795,991
Balance with Bank of Ghana	1,219,168,521	558,452,258
	1,368,343,534	**681,248,249**

17b. Due from banks and other institutions

	2022 GH¢	2021 GH¢
Nostro account balances	538,002,647	182,786,981
Items in course of collection	46,225,647	10,594,976
Placement with local banks	-	90,000,000
	584,228,294	**283,381,957**

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.

2022 (GH¢)	Stage 1 Individual	Stage 2 Individual	Stage 3 Individual	Total
Cash and cash equivalents	1,952,571,828	-	-	1,952,571,828
Total	**1,952,571,828**	**-**	**-**	**1,952,571,828**

2022 (GH¢)	Stage 1 Individual	Stage 2 Individual	Stage 3 Individual	Total
Gross carrying amount as at 1 January 2022	964,630,206	-	-	964,630,206
New assets originated or purchased	1,952,571,828	-	-	1,952,571,828
Assets derecognised or repaid (excluding write offs)	(964,630,206)	-	-	(964,630,206)
Amounts written off	-	-	-	-
Total	**1,952,571,828**	**-**	**-**	**1,952,571,828**

2021 (GH¢)	Stage 1 Individual	Stage 2 Individual	Stage 3 Individual	Total
Cash and cash equivalents	964,630,206	-	-	964,630,206
Total	**964,630,206**	**-**	**-**	**964,630,206**

2021 (GH¢)	Stage 1 Individual	Stage 2 Individual	Stage 3 Individual	Total
Gross carrying amount as at 1 January 2021	1,562,409,284	-	-	1,562,409,284
New assets originated or purchased	964,630,206	-	-	964,630,206
Assets derecognised or repaid (excluding write offs)	(1,562,409,284)	-	-	(1,562,409,284)
Amounts written off	-	-	-	-
Total	**964,630,206**	**-**	**-**	**964,630,206**

17c. Impairment allowance for cash and cash equivalents

	2022 GH¢	2021 GH¢
Opening balance	669,284	425,668
Charge for the year	1,029,478	243,616
Closing stock of provision	1,698,762	669,284

2022 GH¢	Stage 1 Individual	Stage 2 Individual	Stage 3 Individual	Total
ECL allowance as at 1 January 2022	669,284	-	-	669,284
New assets originated or purchased	1,698,761	-	-	1,698,761
Assets derecognised or repaid (excluding write offs)	(669,284)	-	-	(669,284)
Amounts written off	-	-	-	-
Total	**1,698,761**	**-**	**-**	**1,698,761**

2021 GH¢	Stage 1 Individual	Stage 2 Individual	Stage 3 Individual	Total
ECL allowance as at 1 January 2021	425,668	-	-	425,668
New assets originated or purchased	669,284	-	-	669,284
Assets derecognised or repaid (excluding write offs)	(425,668)	-	-	(425,668)
Amounts written off	-	-	-	-
Total	**669,284**	**-**	**-**	**669,284**

18. Non-pledged trading assets

	2022 GH¢	2021 GH¢
Government bonds	366,932	100,071,596
Treasury bills	13,790,475	43,084,684
	14,157,407	**143,156,280**

18a. Non pledged trading assets

	2022 FVPL GH¢	2021 FVPL GH¢
Balance as at 1 January	143,156,280	67,896,476
Additions	14,011,407	142,657,354
Disposals	(143,156,280)	(67,896,476)
Fair value	146,000	498,926
Balance as at 31 December	**14,157,407**	**143,156,280**

None of the financial instruments was pledged as collateral during the year (2021: Nil).

19. Equity investments

	2022 GH¢	2021 GH¢
Advans Ghana (Note 19a)	3,549,552	2,923,386
YUP Ghana	9,285,350	9,285,350
Impairment	(9,285,350)	(9,285,350)
Total	**3,549,552**	**2,923,386**

19a. Advans Ghana

	2022 GH¢	2021 GH¢
Balance as at 1 January	2,923,386	2,951,115
Fair value gain/(loss)	626,166	(27,729)
	3,549,552	**2,923,386**

Advans Ghana is a Savings and Loans company which specializes in the collection of deposits and giving of credits. Societe Generale Ghana has a 6.22% (previously 10%) stake in the ownership of the company. It is an unlisted equity investment which is carried at fair value through profit or loss.

Advans Ghana will be held under our investment company SSBI.

No consolidation of equity in SSBI

The bank has not consolidated SSBI due to the following

- There is not enough financial information to proceed with the consolidation
- The balances for consolidation are not deemed as significant

20. Loans and advances

	2022 GH¢	2021 GH¢
Overdrafts	850,169,886	501,743,477
Term loans	2,557,363,214	2,115,073,457
Staff loan	84,015,325	71,006,599
Equipment finance lease	143,460,214	117,035,204
Gross loans and advances (Note 20d)	**3,635,008,639**	**2,804,858,737**
Amortised cost adjustment	(45,950,796)	(28,390,451)
Interest in suspense	(52,331,339)	(37,956,512)
Less: allowances for impairment (Note 20e)	(433,733,437)	(234,145,097)
	3,102,993,067	**2,504,366,677**

Loans and advances

	2022 GH¢	2021 GH¢
Current	3,062,523,426	2,497,536,711
Other loans especially mentioned	82,309,671	94,735,487
Gross performing loans	3,144,833,097	2,592,272,198
Substandard	261,260,931	15,406,958
Doubtful	18,500,896	17,803,061
Loss	210,413,716	179,376,520
Gross non performing loans	490,175,542	212,586,539
Total gross loans	**3,635,008,639**	**2,804,858,737**

20a. Other statistics

		2022	2021
i.	Loan Loss Provision Ratio	11.93%	8.35%
ii.	Gross Non-performing Loan Ratio	13.48%	7.58%
iii.	50 Largest Exposure (Gross Funded Loan and Advances to Total Exposure)	67.42%	62.02%
iv.	Liquidity Ratio	88.36%	108.78%
v.	Leverage Ratio *	10.16%	12.57%
vi.	Off-Balance Sheet Exposures (GH¢ M)	1,893.06	1,079.86

Leverage ratio* has been computed taken into consideration DDEP reliefs by Bank of Ghana to be applied in the computation of Capital Adequacy.

20b. Analysis by type of customers

	2022 GH¢	2021 GH¢
Individual	953,613,647	920,323,902
Private enterprise	1,915,488,705	1,442,944,151
Public enterprise	439,385,260	137,511,614
Government departments and agencies	242,505,702	233,072,471
Staff	84,015,325	71,006,599
	3,635,008,639	**2,804,858,737**

20c. Analysis by industry sector

	2022 GH¢	2021 GH¢
Agriculture, forestry and fishing	400,923,206	296,962,528
Mining and quarrying	72,303,864	60,219,929
Manufacturing	260,182,234	287,030,719
Construction	122,476,785	11,591,330
Electricity, gas and water	402,031,061	201,165,848
Commerce and finance	186,100,930	160,187,200
Transport, storage, communication and services	2,068,975,901	1,681,177,356
Miscellaneous	122,014,658	106,523,827
	3,635,008,639	**2,804,858,737**

20d. 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.

2022 GH¢	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Corporate lending	2,007,273,585	134,506,349	360,322,675	2,502,102,609
Retail lending	973,764,399	8,642,292	150,499,339	1,132,906,030
Gross loan balance	**2,981,037,984**	**143,148,641**	**510,822,014**	**3,635,008,639**

2021 GH¢	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Corporate lending	1,697,959,024	13,056,542	83,035,000	1,794,050,566
Retail lending	830,595,666	86,483,505	93,729,000	1,010,808,171
Gross loan balance	**2,528,554,690**	**99,540,047**	**176,764,000**	**2,804,858,737**

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

2022 GH¢	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Gross carrying amount as at 1 January 2022	1,687,065,837	30,925,268	76,059,461	1,794,050,566
New assets originated or purchased	1,250,009,559	73,854,354	48,905,549	1,372,769,462
Assets derecognised or repaid (excluding write offs)	(647,246,189)	(8,267,871)	(9,199,882)	(664,713,942)
Amounts written off	-	-	(3,478)	(3,478)
Total	**2,289,829,208**	**96,511,750**	**115,761,650**	**2,502,102,609**

2021 GH¢	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Gross carrying amount as at 1 January 2021	1,772,289,664	21,162,854	95,749,138	1,889,201,656
New assets originated or purchased	519,690,552	13,056,542	59,903,353	592,650,447
Assets derecognised or repaid (excluding write offs)	(594,021,046)	(21,162,854)	(72,532,800)	(687,716,700)
Amounts written off	(146)	-	(84,691)	(84,837)
Total	**1,697,959,024**	**13,056,542**	**83,035,000**	**1,794,050,566**

Notes to the Financial Statements cont'd

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

2022 GH¢	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Gross carrying amount as at 1 January 2022	917,761,808	23,409,766	69,636,597	1,010,808,171
New assets originated or purchased	382,423,520	67,222,371	73,908,792	523,554,684
Assets derecognised or repaid (excluding write offs)	(343,020,588)	(44,186,303)	(14,010,408)	(401,217,299)
Amounts written off	-	-	(239,526)	(239,526)
Total	**957,164,740**	**46,445,834**	**129,295,455**	**1,132,906,030**

2021 GH¢	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Gross carrying amount as at 1 January 2021	810,431,147	26,798,374	99,338,174	936,567,695
New assets originated or purchased	445,952,240	82,270,300	31,209,774	559,432,314
Assets derecognised or repaid (excluding write offs)	(425,771,817)	(22,582,681)	(33,199,487)	(481,553,985)
Amounts written off	(15,903)	(2,489)	(3,619,461)	(3,637,853)
Total	**830,595,666**	**86,483,505**	**93,729,000**	**1,010,808,171**

20e. Analysis of impairment allowances

2022 GH¢	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Corporate lending	51,348,379	89,038,843	157,382,000	297,769,222
Retail lending	11,650,238	33,046,977	91,267,000	135,964,215
Gross Loan Balance	**62,998,617**	**122,085,820**	**248,649,000**	**433,733,437**

2021 GH¢	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Corporate lending	42,614,504	2,245,726	78,138,550	122,998,780
Retail lending	9,669,593	21,677,795	79,798,929	111,146,317
Gross loan balance	**52,284,097**	**23,923,521**	**157,937,479**	**234,145,097**

20f. Analysis of impairment allowances

	2022 GH¢	2021 GH¢
Opening balance	234,145,097	209,830,240
Loans written off during the year	(235,000)	(2,619,000)
	233,910,097	207,211,240
Increase in provision	199,823,340	26,933,857
Closing stock of provision	**433,733,437**	**234,145,097**

Impairment allowance for loans and advances to corporate customers

2022 GH¢	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Gross carrying amount as at 1 January 2022	42,614,504	2,245,725	78,138,550	122,998,780
New assets originated or purchased	35,732,953	78,326,011	84,435,953	198,494,917
Assets derecognised or repaid (excluding write offs)	(16,828,401)	(1,422,074)	(5,472,000)	(23,722,475)
Amounts written off	-	-	(2,000)	(2,000)
Total	**61,519,056**	**79,149,663**	**157,100,503**	**297,769,222**

2021 GH¢	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Gross carrying amount as at 1 January 2021	46,324,999	3,886,871	77,989,000	128,200,870
New assets originated or purchased	13,511,954	2,245,725	6,964,000	22,721,680
Assets derecognised or repaid (excluding write offs)	(17,222,449)	(3,886,871)	(6,729,450)	(27,838,770)
Amounts written off	-	-	(85,000)	(85,000)
Total	**42,614,504**	**2,245,725**	**78,138,550**	**122,998,780**

Impairment allowance for loans and advances to retail customers

2022 GH¢	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Gross carrying amount as at 1 January 2022	9,669,593	21,677,795	79,798,929	111,146,317
New assets originated or purchased	5,875,240	31,765,196	19,755,000	57,395,436
Assets derecognised or repaid (excluding write offs)	(6,031,991)	(20,482,163)	(5,829,384)	(32,343,539)
Amounts written off	-	-	(234,000)	(234,000)
Total	**9,512,842**	**32,960,828**	**93,490,545**	**135,964,215**

Notes to the Financial Statements cont'd

2021 GH¢	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Gross carrying amount as at 1 January 2021	9,079,967	6,629,403	65,920,000	81,629,370
New assets originated or purchased	4,985,972	20,489,005	23,831,929	49,306,906
Assets derecognised or repaid (excluding write offs)	(4,396,346)	(5,440,613)	(7,419,000)	(17,255,959)
Amounts written off	-	-	(2,534,000)	(2,534,000)
Total	**9,669,593**	**21,677,795**	**79,798,929**	**111,146,317**

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 credit loss provisions per IFRS principles is more than provisions per 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 guidelines, transfers are made from the income surplus account into the non- distributable regulatory credit reserves.

	2022 GH¢	2021 GH¢
Provisions per Bank of Ghana Guidelines	275,083,236	185,168,207
Provisions per IFRS	433,733,437	234,145,097

No credit risk reserve was made in 2022 and 2021 as IFRS provision is greater than provision under Bank of Ghana guidelines.

21. Investment securities

		2022	2021
		GH¢	GH¢
Debt instruments measured at amortised cost	Bills	736,508,571	730,758,421
Debt instruments measured at amortised cost	Bonds	60,047,812	653,196,584
Debt instruments measured at Fair value through OCI	Bonds	43,784,934	87,240,744
		840,341,317	**1,471,195,749**

21a.

	2022		**2021**	
	Debt instruments measured at amortised cost	**Debt instruments measured at Fair value through OCI**	**Debt instruments measured at amortised cost**	**Debt instruments measured at Fair value through OCI**
	GH¢	GH¢	GH¢	GH¢
Cost	822,434,402	86,288,305	1,384,667,134	86,148,963
Fair value	-	583,901	-	1,091,781
Less impairment	(25,878,019)	(43,087,272)	(712,130)	-
	796,556,383	**43,784,934**	1,383,955,004	87,240,744

These instruments form part of the bonds exchanged under the Government of Ghana's Domestic Debt Exchange Programme. Hence the significant increase in impairment in 2022.

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 is net of impairment allowances.

2022 GH¢

	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Government Bills and Bonds	736,508,571	-	60,047,812	796,556,383
Total exposure	**736,508,571**	**-**	**60,047,812**	**796,556,383**

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

	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Gross carrying amount as at 1 January 2022	1,384,667,134	-	-	1,384,667,134
New assets originated or purchased	707,956,440	-	83,060,079	791,016,519
Assets derecognised or matured (excluding write offs)	(1,353,249,251)	-	-	(1,353,249,251)
Amounts written off	-	-	-	-
Total	**739,374,323**	**-**	**83,060,079**	**822,434,402**

21b. Impairment allowance for Debt Instruments at Amortized Cost

	2022 GH¢	2021 GH¢
Opening balance	712,130	503,932
Charge for the year	25,165,889	208,198
Closing stock of provision	25,878,019	712,130

2022 GH¢	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
ECL allowance as at 1 January 2022	712,130	-	-	712,130
New assets originated or purchased	-	-	25,369,363	25,369,363
Assets derecognised or repaid (excluding write offs)	(203,474)	-	-	(203,474)
Amounts written off	-	-	-	-
Total	**508,656**	**-**	**25,369,362.74**	**25,878,019**

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 is net of impairment allowances.

2021 GH¢

	Stage 1 Individual	Stage 2 Individual	Stage 3 Individual	Total
Government bills and bonds	1,383,955,004	-	-	1,383,955,004
Total exposure	**1,383,955,004**	**-**	**-**	**1,383,955,004**

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

	Stage 1 Individual	Stage 2 Individual	Stage 3 Collective	Total
Gross carrying amount as at 1 January 2021	428,091,754	-	-	428,091,754
New assets originated or purchased	1,057,882,493	-	-	1,057,882,493
Assets derecognised or matured (excluding write offs)	(101,307,113)	-	-	(101,307,113)
Amounts written off	-	-	-	-
Total	**1,384,667,134**	**-**	**-**	**1,384,667,134**

Impairment allowance for debt instruments measured at amortised cost

2021 GH¢

	Stage 1 Individual	Stage 2 Individual	Stage 3 Individual	Total
ECL allowance as at 1 January 2021	503,932	-	-	503,932
New assets originated or purchased	327,453	-	-	327,453
Assets derecognised or repaid (excluding write offs)	(119,255)	-	-	(119,255)
Amounts written off	-	-	-	-
Total	**712,130**	**-**	**-**	**712,130**

22. Property, plant and equipment

	2022 GH¢	2021 GH¢
Property, plant and equipment (22b)	292,785,473	255,268,418
	292,785,473	**255,268,418**

22a. Depreciation and amortization

	2022 GH¢	2021 GH¢
Property, plant and equipment (Note 22b)	32,747,078	30,463,364
Intangible assets (Note 23)	6,686,857	4,344,234
	39,433,935	**34,807,598**

22b. Property, Plant and Equipment

2022 GH¢	**Land & Building**	**Right of Use Assets**	**Computers**	**Furniture & Equipment**	**Motor Vehicles**	**Assets in Course of Construction**	**Total**
Cost/valuation	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Balance as at 1 January	83,326,887	222,308,505	26,338,617	62,807,004	8,898,052	10,538,126	414,217,191
Additions	7,689	12,932,955	4,461,212	3,159,860	1,002,310	48,909,573	70,473,599
Transfers	944,982	325,448	5,161,330	347,994	-	(6,779,754)	-
Reclassification						(209,466)	(209,466)
Balance as at 31 December	**84,279,558**	**235,566,908**	**35,961,159**	**66,314,858**	**9,900,362**	**52,458,479**	**484,481,324**

Depreciation							
Balance as at 1 January	34,704,529	48,963,915	22,498,302	44,268,742	8,513,284	-	158,948,773
Charge for the year	4,639,102	18,590,236	2,638,559	6,463,667	415,514	-	32,747,078
Balance as at 31 December	**39,343,631**	**67,554,151**	**25,136,862**	**50,732,409**	**8,928,798**	**-**	**191,695,851**
NBV as at 31 December 2022	**44,935,927**	**168,012,757**	**10,824,298**	**15,582,448**	**971,564**	**52,458,479**	**292,785,473**

2021 GH¢	**Land & Building**	**Right of Use Assets**	**Computers**	**Furniture & Equipment**	**Motor Vehicles**	**Assets in Course of Construction**	**Total**
Cost/valuation	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Balance at 1 January	81,063,823	217,114,235	22,816,602	52,092,312	8,975,095	37,248,483	419,310,550
Additions	117,254	3,277,747	2,185,520	1,288,335	-	3,108,041	9,976,898
Transfers	2,145,810	1,916,523	1,336,494	9,426,358	-	(14,825,184)	-
Reclassification	-	-	-	-	-	(14,993,214)	(14,993,214)
Write offs	-	-	-	-	(77,043)	-	(77,043)
Balance as at 31 December	**83,326,887**	**222,308,505**	**26,338,617**	**62,807,004**	**8,898,052**	**10,538,126**	**414,217,191**

2021	Land & Building	Right of Use Assets	Computers	Furniture & Equipment	Motor Vehicles	Assets in Course of Construction	Total
Depreciation	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Balance at 1 January	28,280,704	32,786,662	21,102,781	38,629,549	7,762,755	-	128,562,451
Charge for the year	6,423,825	16,177,253	1,395,521	5,639,193	827,572	-	30,463,364
Transfers	-	-	-	-	-	-	-
Disposal	-	-	-	-	(77,043)	-	(77,043)
Balance as at 31 December	**34,704,529**	**48,963,915**	**22,498,302**	**44,268,742**	**8,513,284**	**-**	**158,948,773**
NBV as at 31 December 2021	**48,622,358**	**173,344,590**	**3,840,314**	**18,538,262**	**384,768**	**10,538,126**	**255,268,418**

23. Intangible assets

	2022 GH¢	2021 GH¢
Computer software		
Cost		
Balance as at 1 January	39,956,054	21,866,496
Additions	2,073,674	3,096,343
Reclassification (Note 22b)	102,984	14,993,214
Balance as at 31 December	**42,132,712**	**39,956,054**
Amortisation		
Balance as at 1 January	24,946,260	20,602,025
Charge for the year	6,686,857	4,344,234
Balance as at 31 December	**31,633,117**	**24,946,260**
Balance as at 31 December	**10,499,595**	**15,009,794**

The amortization periods and key factors considered in determining the useful life are the same as disclosed in note 2.8 above.

24. Corporate Tax: assets/(liabilities)

	2022 GH¢	2021 GH¢
Corporate tax (note 24a)	(62,309,201)	(22,731,274)
National stabilization levy (Note 24b)	3,377,522	1,559,711
Financial sector recovery levy (Note 24c)	1,664,191	(153,621)
	(57,267,488)	**(21,325,184)**

24a. Corporate tax: assets/(liabilities)

	2022 GH¢	2021 GH¢
Balance as at 1 January	(22,731,274)	(24,680,582)
Charge to statement of profit or loss and other comprehensive income	(105,427,376)	(83,513,629)
Payment during the year	65,849,449	85,462,937
Balance as at 31 December	**(62,309,201)**	**(22,731,274)**

24b. National stabilization levy: assets/(liabilities)

	2022 GH¢	2021 GH¢
Balance as at 1 January	1,559,711	(1,071,942)
Charge to statement of profit or loss and other comprehensive income	(8,419,216)	(14,098,333)
Payment during the year	10,237,027	16,729,986
Balance as at 31 December	**3,377,522**	**1,559,711**

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 a levy of 5% of profit before tax towards National Fiscal Stability.

24c. Financial sector recovery levy: assets/(liabilities)

	2022 GH¢	2021 GH¢
Balance as at 1 January	(153,621)	-
Charge to statement of profit or loss and other comprehensive income	(8,419,216)	(11,554,021)
Payment during the year	10,237,028	11,400,402
Balance as at 31 December	**1,664,191**	**(153,621)**

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

The Financial Sector Recovery Levy was instititued as a levy on banks to raise revenue to support the financial sector reforms and to provide for related matters. Thus , In accordance with the Financial Sector Recovery Levy Act, 2021 (Act 1067), all Banking Instituitions (excluding rural banks and community banks) are required to pay 5% of profit before tax as a Levy. The Act was gazetted on 31 March 2021.

25. Other assets

	2022 GH¢	2021 GH¢
Stationery and consumable stocks	246,523	49,626
Prepayments and sundry debtors (Note 25a)	101,556,049	53,995,388
Accrued income	194,961	85,173
	101,997,533	**54,130,187**

25a. Prepayments and sundry debtors

	GH¢	GH¢
Finance lease prepayment	2,929,903	3,094,407
Unpaid customer charges	11,423,378	8,899,518
Deferred staff cost	27,768,136	13,110,105
Rent prepayment	-	285,788
Medical prepayment	3,562,136	3,134,072
Other sundry debtors and prepayment*	55,872,496	25,471,498
	101,556,049	**53,995,388**

*Included in sundry debtors is an amount of 12,870,294.21 due from YUP Ghana (A company for which SG Ghana holds 35.6% interest). At year end, management has determined that there is objective evidence that the receivable is impaired. Thus, SG Ghana has calculated an additional amount of impairment of loss of 8,367,564 (4,502,730 in 2021) as the difference between the carrying amount and the recoverable value and has recognised the loss within in the statement of profit or loss.

26. Derivative assets/(liabilities) held for risk management

	Derivative assets held for risk management	**Derivative liabilities held for risk management**
	2022 GH¢	2021 GH¢
Fx swap	188,780,000	(40,509,648)
	188,780,000	**(40,509,648)**

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.

2022	**Fair value of derivatives held for trading**	**Notional amount**
	GH¢	GH¢
Foreign Exchange SWAP	**188,780,000**	**600,290,000**

2021	**Fair value of derivatives held for trading**	**Notional amount**
	GH¢	GH¢
Foreign Exchange SWAP	**40,509,648**	**575,730,000**

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. The valuation approach used in valuing the FX derivative is the mark- to- market approach.

27. Borrowings

	2022 GH¢	2021 GH¢
Socgen borrowing	477,986,926	422,616,338
European international bank	14,348,602	16,748,123
Proparco	13,795,418	17,163,281
International Finance Corporation	136,455,015	132,336,886
	642,585,961	**588,864,628**

2022	**Socgen Borrowing** GH¢	**European International Bank** GH¢	**Propaco** GH¢	**International Finance Corporation** GH¢	**Total** GH¢
Opening Balance	422,616,338	16,748,123	17,163,281	132,336,886	588,864,628
Movements within the year:					
Cash movements	51,253,000	(2,366,375)	(3,351,700)	2,616,563	48,151,488
Non cash movements	4,117,588	(33,146)	(16,163)	1,501,566	5,569,845
Closing balance	**477,986,926**	**14,348,602**	**13,795,418**	**136,455,015**	**642,585,961**

The Bank has not had any defaults of principal, interest or other breaches with regard to any liabilities during 2022 or 2021.

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 matured on 30 April 2020. The second draw down of USD 4 million has a fixed interest rate of 5.19% and matured 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 30 April 2024. As at 31 December 2022 the amount outstanding is € 1.5 million.

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 2022 the outstanding balance is US$ 1.65 million.

SocGen Borrowing: The bank took two facilitities from the group. The first one is a US$ 65.8 million renewable 1 year credit line.The second is a 7 year loan facility of US$55M at Libor 3-months plus a margin of 376 basis points and will mature in 4th May 2027. As at 31 December 2022 the total amount outstanding on both facilities was US$ 55 million.

International Finance Corporation (IFC): This is a 7 year $50M facility granted to support funding in the SME business space. The first draw down of US$25M was done on 24 June 2021 at a rate of 3 month Libor plus a spread of 270 basis point. As at 31 December 2022, total amount outstanding is US$15.625 million.

28. Deposit from customers

	2022 GH¢	2021 GH¢
Retail customers		
Term Deposits	480,002,273	441,267,773
Current Deposits	1,018,117,684	839,164,957
Savings Deposits	585,890,513	567,775,555
Corporate customers		
Term Deposits	109,348,781	119,142,367
Current Deposits	2,043,922,113	1,422,000,000
Savings Deposits	2,286,836	1,790,031
Deposits from customers	4,239,568,200	3,391,140,683
Deposits from banks	1,145,398	1,916,501
	4,240,713,598	**3,393,057,184**

28a. Analysis by type of deposits

	2022 GH¢	2021 GH¢
Financial institutions	35,042,226	16,357,750
Individuals and other private enterprise	4,028,489,567	3,340,670,661
Government departments and agencies	2,975,316	3,189,699
Public enterprises	174,206,489	32,839,074
	4,240,713,598	3,393,057,184
20 Largest depositors to total deposit ratio	**27.90%**	**23.38%**

29. Other liabilities

	2022 GH¢	2021 GH¢
Creditors	136,587,615	44,593,838
Other creditors and provisions (Note 29a)	360,212,936	190,609,988
Accruals (Note 29b)	69,830,680	129,496,312
	566,631,231	**364,700,138**

29a. Other creditors and provisions

	2022 GH¢	2021 GH¢
Payment orders	4,986,087	6,886,660
Statutory deductions	4,159,597	3,488,010
Uncleared effects (Note 29c)	283,502,347	124,298,103
Other commitments & credit balances	44,774,819	14,162,296
Staff related provisions (Note 29d)	2,600,000	2,600,000
Provisions on contingencies	8,740,067	1,540,029
Bills payment	3,778,186	16,144,722
Other provisions (Note 29d)	7,671,833	21,490,169
	360,212,936	**190,609,989**

29b. Accruals

	2022 GH¢	2021 GH¢
Staff & related accruals	8,968,323	7,694,177
Audit fees	815,511	751,980
Software maintenance	7,619,099	24,354,864
IT, marketing & other shared services	37,701,930	86,019,571
Other accruals	14,725,817	10,675,720
	69,830,680	**129,496,312**

29c. Uncleared effects

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

2022 GH¢

Aging analysis of uncleared effects

	Total	Below 3 months	3 to 6 months	6 to 12 months	Above 1 year
Uncleared effects	**283,502,346**	**259,483,443**	**934,271**	**2,166,809**	**20,917,823**

2021 GH¢

	Total	Below 3 months	3 to 6 months	6 to 12 months	Above 1 year
Uncleared effects	124,298,103	89,752,751	17,480,237	6,537,951	10,527,164

29d. Provisions

2022	Other Provisions GH¢	Staff Provisions GH¢	Total GH¢
As at 1 January 2022	21,490,169	2,600,000	24,090,169
Provisions made during the year	691,909	-	691,909
Provisions reversed during the year	(14,510,245)	-	(14,510,245)
As at 31 December 2022	**7,671,833**	**2,600,000**	**10,271,833**
2021			
As at 1 January 2021	4,765,007	2,537,000	7,302,007
Provisions made during the year	16,982,413	63,000	17,045,413
Provisions reversed during the year	(257,251)	-	(257,251)
As at 31 December 2021	**21,490,169**	**2,600,000**	**24,090,169**

Staff Provisions: This relates to provisions made for staff reorganization and/or termination . The provisions made reflect Management's best estimate of the expected outflow in the coming year.

Other Provisions: This relates to provisions for legal cases, registrar services and other incidental business costs.Provision for legal cases is the best estimate of claims from legal actions brought against the Bank. A fair assessement by the Bank indicates probable judgement against the Bank. Provision for registrar services and incidental business cost relates to business expenses for which timing and outflow is uncertain.

30. Stated capital

	2022	2021
a. Authorised ordinary shares		
Number of ordinary shares of no par value	1,000,000,000	1,000,000,000

	2022		2021	
b. Issued and fully paid ordinary shares	Number	Amount GH¢	Number	Amount GH¢
Issued and fully paid ordinary shares	709,141,367	404,245,427	709,141,367	404,245,427

31. Dividend declared and paid

	2022 GH¢	2021 GH¢
Equity dividend on ordinary shares:		
Dividend declared	48,386,529	80,842,116
Dividend paid during the year	(48,386,529)	(80,842,116)
Balance as at 31 December	**-**	**-**

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

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).

a) 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.

b) 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

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

d) The granting of the credit facility is in the interest of the bank.

The credit facility shall be approved by the Board of Directors.

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

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

	2022		2021	
	Interest Paid	Interest Received	Interest Paid	Interest Received
	GH¢	GH¢	GH¢	GH¢
Societe Generale borrowing	28,192,978	1,216,460	12,528,079	97,847

b. Related party balances at December

Lending to related parties:

	2022 GH¢	2021 GH¢
Officers and employees other than Directors	84,015,325	71,006,599
Nostro account balances with Societe Generale Group	183,491,099	89,041,751

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 PLC.

33. Commitments and Contingent Liabilities

33a. Breakdown of Commitments and Contingent Liabilities

	2022 GH¢	2021 GH¢
Guarantees and indemnities	561,567,495	24,384,146
Letters of credit & others	234,237,714	178,601,059
Other undrawn commitments	33,121,290	58,162,811
Spot and forward purchase	1,064,129,442	818,711,895
	1,893,055,941	**1,079,859,911**

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.

2022 GH¢	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Financial guarantees	1,893,055,941	-	-	1,893,055,941
Total outstanding exposure	**1,893,055,941**	**-**	**-**	**1,893,055,941**

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

	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Gross carrying amount as at 1 January 2022	1,079,859,911	-	-	1,079,859,911
New assets originated or purchased	1,893,055,941	-	-	1,893,055,941
Assets derecognised or matured (excluding write offs)	(1,079,859,911)	-	-	(1,079,859,911)
Amounts written off	-	-	-	-
Total outstanding exposure	**1,893,055,941**	**-**	**-**	**1,893,055,941**

2021 GH¢	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Financial guarantees	1,079,859,911	-	-	1,079,859,911
Total outstanding exposure	**1,079,859,911**	**-**	**-**	**1,079,859,911**

	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Gross carrying amount as at 1 January 2021	665,671,285	-	-	665,671,285
New assets originated or purchased	1,079,859,911	-	-	1,079,859,911
Assets derecognised or matured (excluding write offs)	(665,671,285)	-	-	(665,671,285)
Amounts written off	-	-	-	-
Total outstanding exposure	**1,079,859,911**	**-**	**-**	**1,079,859,911**

33b. Impairment allowance for contingent liabilities

	2022 GH¢	2021 GH¢
Opening balance	1,540,029	3,827,276
Charge for the year	7,200,038	(2,287,247)
Closing stock of provision	**8,740,067**	1,540,029

	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Gross carrying amount as at 1 January 2022	1,540,029	-	-	1,540,029
New assets originated or purchased	7,200,038	-	-	7,200,038
Assets derecognised or matured (excluding write offs)	-	-	-	-
Amounts written off	-	-	-	-
As at 31 December 2022	**8,740,067**	**-**	**-**	**8,740,067**

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 reasonably estimated, the Bank makes adjustments to account for any adverse effects which the claims may have on its financial standing. As at December 2022, 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¢ 4,588,869 while the timing of the outflow is uncertain.

As at the end of the 2022 financial year, the case CBAM versus SGGH was pending in court. The amount and timing of possible outflow however remains uncertain. The total amount in dispute for this case is USD 10M and is therefore disclosed as a contingent liability.

35. Analysis of financial assets and liabilities

Financial assets and liabilities as well as equity investments 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 2022	Financial Assets at FVPL	Loan and Advances at amortised cost	Debt Instrument Designated at FVOCI	Debt Instrument at amortised cost	Total Carrying Amount
Financial Assets	GH¢	GH¢	GH¢	GH¢	GH¢
Cash and cash equivalents	-	1,950,873,066	-	-	1,950,873,066
Non-pledged trading assets	14,157,407	-	-	-	14,157,407
Investment securities	-	-	43,784,934	796,556,383	840,341,317
Loans and advances to customers	-	3,102,993,067	-	-	3,102,993,067
Equity Investments	3,549,552	-	-	-	3,549,552
Total financial assets	**17,706,959**	**5,053,866,133**	**43,784,934**	**796,556,383**	**5,911,914,409**
Total non-financial assets	**-**	**-**	**-**	**-**	**683,921,694**
Total assets					**6,595,836,103**

31 December 2022 Financial liabilities	Financial Liabilities at FVPL GH¢	Financial Liabilities at amortised cost GH¢	Total Carrying Amount GH¢
Deposits from banks and customers	-	4,240,713,598	4,240,713,598
Borrowings	-	642,585,961	642,585,961
Total financial liabilities	**-**	**4,883,299,559**	**4,883,299,559**
Total non-financial liabilities			**1,712,536,544**
Total liabilities and shareholders fund			**6,595,836,103**

31 December 2021 Financial Assets	Financial Assets at FVPL GH¢	Financial Assets at amortised cost GH¢	Debt Instrument Designated at FVOCI GH¢	Debt Instrument at amortised cost GH¢	Total Carrying Amount GH¢
Cash & cash equivalents	-	963,960,922	-	-	963,960,922
Non-pledged trading assets	143,156,280			-	143,156,280
Investment securities	-	-	87,240,744	1,383,955,004	1,471,195,749
Loans and advances to customers	-	2,504,366,677	-	-	2,504,366,677
Equity Investments	2,923,386	-	-	-	2,923,386
Total financial assets	**146,079,666**	**3,468,327,600**	**87,240,744**	**1,383,955,004**	**5,085,603,015**
Total non-financial assets					**351,419,105**
Total assets					**5,437,022,119**

31 December 2021 Financial liabilities	Financial Liabilities at FVPL GH¢	Financial Liabilities Measured at Amortised Cost GH¢	Total Carrying Amount GH¢
Deposits from banks and customers	-	3,393,057,184	3,485,289,259
Borrowings		588,864,628	588,864,628
Total financial liabilities	**-**	**3,981,921,812**	**3,981,921,812**
Total non-financial liabilities			**1,455,100,307**
Total liabilities and shareholders fund			**5,437,022,119**

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 value.
- 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. Valuation was conducted by KOA Consult and Value Properties.

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

31 December 2022	Note	Level 1	Level 2	Level 3	Total
		GH¢	GH¢	GH¢	GH¢
Assets					
Non-Pledged Trading assets	18	-	14,157,407	-	14,157,407
Derivative financial asset	26	-	188,780,000	-	188,780,000
Equity investment	19	-	3,549,552	-	3,549,552
Total Assets		**-**	**206,486,959**	**-**	**206,486,959**

31 December 2021	Note	Level 1	Level 2	Level 3	Total
Assets		GH¢	GH¢	GH¢	GH¢
Non-Pledged Trading assets	18	-	143,156,280	-	143,156,280
Equity investment	19	-	2,923,386	-	2,923,386
Total Assets		**-**	**146,079,666**	**-**	**146,079,666**
Liabilities					
Derivative Financial Liabilities	26	-	40,509,648	-	40,509,648
Total Liabilities		**-**	**40,509,648**	**-**	**40,509,648**

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.

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 - Bi-monthly;

iii. Market Risk Committee - Quarterly;

iv. 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.

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.

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.

- 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.

Maximum credit exposure

	2022 GH¢	2021 GH¢
Due from bank and other financial institution	584,228,294	283,381,957
Non-pledged trading assets	14,157,407	143,156,280
Debt instruments at amortised cost	796,556,383	1,383,955,004
Loans and advances (gross)	3,635,008,639	2,804,858,737
Unsecured contingent liabilities and commitments	1,893,055,941	1,079,859,911
	6,923,006,664	**5,695,211,889**

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:

	2022 GH¢	2021 GH¢
Against impaired assets	725,601,968	243,630,045
Against past due but not impaired assets	152,130,168	34,877,174
	877,732,136	**278,507,219**

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 at 31 December 2022 is shown in the table below.

Maturity analysis of assets and liabilities

The table shows a summary of assets and liabilities analysed according to their 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 2022	Total GH¢	Below 3 months GH¢	3 to 6 months GH¢	6 to 12 months GH¢	Above 1 year GH¢
Assets					
Cash and cash equivalents	1,950,873,066	1,950,873,066	-	-	-
Non-pledged trading assets	14,157,407	14,157,407	-	-	-
Debt instruments at fair value through other comprehensive income	43,784,934	-	-	-	43,784,934
Investment securities	796,556,383	739,606,359	462,273	274,124	56,213,627
Loans and advances to customers	3,102,993,067	750,097,821	433,447,710	676,717,244	1,242,730,292
Equity investments	3,549,552	-	-	-	3,549,552
Derivative assets held for risk management	188,780,000	188,780,000	-	-	-
Other assets	101,997,533	71,398,270	20,399,505	10,199,758	-
Property, plant and equipment	292,785,473	-	-	-	292,785,473
Intangible assets	10,499,595	-	-	-	10,499,595
Deferred tax assets	89,859,093	89,859,093	-	-	-
Total assets	**6,595,836,103**	**3,804,772,016**	**454,309,488**	**687,191,126**	**1,649,563,473**
Liabilities					
Deposits from banks	1,145,398	1,145,398	-	-	-
Deposits from customers	4,239,568,200	900,909,199	457,145,818	621,765,959	2,259,747,224
Borrowings	642,585,961	26,800,000	35,207,890	43,813,982	536,764,090
Current tax liabilities	57,267,488	57,267,488	-	-	-
Other liabilities	566,631,231	169,989,368	169,989,370	226,652,493	-
Total liabilities	**5,507,198,278**	**1,156,111,455**	**662,343,078**	**892,232,432**	**2,796,511,314**
Net liquidity gap	**1,088,637,826**	**2,648,660,561**	**(208,033,588)**	**(205,041,307)**	**(1,146,947,841)**
Contingent liabilities	**1,893,055,941**	**1,508,540,653**	**218,567,140**	**78,381,682**	**87,566,466**

Notes to the Financial Statements cont'd

As at 31 December 2021	Total GH¢	Below 3 months GH¢	3 to 6 months GH¢	6 to 12 months GH¢	Above 1 year GH¢
Assets					
Cash and cash equivalents	963,248,795	963,248,795	-	-	-
Non-pledged trading assets	143,156,280	143,156,280	-	-	-
Debt instruments at fair value through other comprehensive income	87,240,744	-	-	-	87,240,744
Investment securities	1,384,667,134	1,331,168,093	21,146,405	1,011,716	31,340,919
Loans and advances to customers	2,504,366,677	497,833,962	303,401,761	508,086,205	1,195,044,749
Equity investments	2,923,386	-	-	-	2,923,386
Other assets	54,130,184	37,891,129	10,826,037	5,413,018	
Property, plant and equipment	255,268,418	-	-	-	255,268,418
Intangible assets	15,009,794	-	-	-	15,009,794
Deferred tax assets	27,010,707	27,010,707	-	-	-
Total assets	**5,437,022,119**	**3,000,308,966**	**335,374,203**	**514,510,939**	**1,586,828,010**
Liabilities					
Deposits from banks	1,916,501	1,916,501	-	-	-
Deposits from customers	3,391,140,683	1,043,511,541	461,185,629	450,845,989	1,435,597,523
Borrowings	588,864,628	108,860,563	6,307,983	25,077,046	448,619,037
Derivative liabilities held for risk management	40,509,648	40,509,648	-	-	-
Current tax liabilities	21,325,186	21,325,186	-	-	-
Other liabilities	364,700,136	138,816,628	138,816,668	87,066,839	-
Total liabilities	**4,408,456,782**	**1,354,940,067**	**606,310,280**	**562,989,874**	**1,884,216,560**
Net liquidity gap	**1,028,565,337**	**1,645,368,899**	**(270,936,077)**	**(48,478,935)**	**(297,388,550)**
Contingent liabilities	**1,079,859,911**	**941,373,439**	**54,859,066**	**80,577,097**	**3,050,310**

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 PLC has a large and diversified deposit base which serves as a large part of mid and long-term financing resources.

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.

Notes to the Financial Statements cont'd

As at 31 December 2022	Total GH¢	Below 3 months GH¢	3 to 6 months GH¢	6 to 12 months GH¢	Above 1 year GH¢
Financial assets					
Cash and cash equivalents	1,950,873,067	1,950,873,067	-	-	-
Non-pledged trading assets	14,157,406	14,157,406	-	-	-
Debt instruments at fair value through other comprehensive income	55,486,901	-	-	-	55,486,901
Debt instruments at amortised cost	985,182,004	913,004,879	589,510	350,328	71,237,287
Loans and advances to customers	3,834,539,947	815,412,589	490,061,400	853,492,706	1,675,573,252
Equity investments	3,549,552	-	-	-	3,549,552
Total financial assets	**6,843,788,877**	**3,693,447,941**	**490,650,910**	**853,843,034**	**1,805,846,992**
Financial liabilities					
Deposits from banks	1,145,398	1,145,398	-	-	-
Deposits from customers	4,292,690,474	940,205,280	466,209,760	626,528,210	2,259,747,224
Borrowings	686,369,055	27,209,169	9,892,949	37,721,784	611,545,153
Total financial liabilities	**4,980,204,927**	**968,559,847**	**476,102,709**	**664,249,994**	**2,871,292,377**

As at 31 December 2021	Total GH¢	Below 3 months GH¢	3 to 6 months GH¢	6 to 12 months GH¢	Above 1 year GH¢
Financial assets					
Cash and cash equivalents	963,248,795	963,248,795	-	-	-
Non-pledged trading assets	143,156,280	143,156,280	-	-	-
Debt instruments at fair value through other comprehensive income	87,240,744	-	-	-	87,240,744
Debt instruments at amortised cost	1,563,556,858	1,501,728,024	23,926,499	1,158,439	36,743,895
Loans and advances to customers	2,799,083,006	516,365,831	325,990,022	583,740,241	1,372,986,912
Equity investments	2,923,386	-	-	-	2,923,386
Total financial assets	**5,559,209,069**	**3,124,498,930**	**349,916,521**	**584,898,680**	**1,499,894,937**
Financial liabilities					
Deposits from banks	1,916,501	1,916,501	-	-	-
Deposits from customers	3,421,828,257	1,060,875,539	471,172,240	454,182,955	1,435,597,523
Borrowings	607,370,049	109,852,641	7,459,642	26,424,679	463,633,087
Total financial liabilities	**4,031,114,807**	**1,172,644,681**	**478,631,882**	**480,607,634**	**1,899,230,610**

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. The Finance department of the Group is responsible for checking the risk level of Societe Generale Ghana Plc.

Societe Generale Ghana PLC'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 Group Financial Committee (COFI). The sensitivity is defined as the variation in the net present value of future (maturities of up to 20 years) residual fixed rate positions (surplus or deficits) for a 10 basis point parallel increase or decrease in the yield curve. The limit for Societe Generale Ghana PLC for the various currencies is within the range of EUR -0.58 and 0.18 million (i.e. between GH¢ -5.30 and 1.65 million). This limit is -0.49% and 0.15% 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 PLC analyses 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.

In order to quantify its exposure to structural interest rate risks, Societe Generale Ghana PLC analyses 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 2022		Effect on profit before tax 2022		Effect on equity 2022	
			GH¢	GH¢	GH¢	GH¢
USD	+1%	-1%	12,841,133	(12,841,133)	8,346,736	(8,346,736)
EURO	+1%	-1%	1,092,264	(1,092,264)	709,972	(709,972)
GH¢	+1%	-1%	22,416,689	(22,416,689)	14,570,848	(14,570,848)

31 December	Increase/decrease in basis points 2021		Effect on profit before tax 2021		Effect on equity 2021	
			GH¢	GH¢	GH¢	GH¢
USD	+1%	-1%	9,784,215	(9,784,215)	6,848,951	(6,848,951)
EURO	+1%	-1%	1,193,607	(1,193,607)	835,525	(835,525)
GH¢	+1%	-1%	18,054,938	(18,054,938)	12,638,457	(12,638,457)

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 2022		Effect on profit before tax 2022		Effect on equity 2022	
			GH¢	GH¢	GH¢	GH¢
USD	+1%	-1%	(620,005)	620,005	(403,003)	403,003
GBP	+1%	-1%	1,417	(1,417)	921	(921))
EUR	+1%	-1%	83,596	(83,596)	54,338	(54,338)
Other currencies	+1%	-1%	28,010	(28,010)	18,207	(18,207)

31 December	Increase/decrease in basis points 2021		Effect on profit before tax 2021		Effect on equity 2021	
			GH¢	GH¢	GH¢	GH¢
USD	+1%	-1%	(82,013)	82,013	(57,409)	57,409
GBP	+1%	-1%	1,481	(1,481)	1,036	(1,036)
EUR	+1%	-1%	(283,816)	283,816	(198,671)	198,671
Other currencies	+1%	-1%	23,135	(23,135)	16,195	(16,195)

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 Statement Of Financial position 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 - 8.5760, EUR - 9.1457 and GBP - 10.3118.

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 2022

	USD GH¢	GBP GH¢	EURO GH¢	Others GH¢	Total GH¢
Assets					
Cash and balances with Bank of Ghana	8,331,241	1,819,311	7,360,354	-	17,510,906
Due from other banks and financial institutions	415,863,278	29,922,164	410,660,188	2,827,467	859,273,097
Other assets	118,943	-	-	-	118,943
Loan and advances to customers	1,283,592,509	-	108,655,997	-	1,392,248,506
Total assets	**1,707,905,971**	**31,741,475**	**526,676,539**	**2,827,467**	**2,269,151,452**
Liabilities					
Due to other banks and financial institutions	619,830,400	-	13,718,550	-	633,548,950
Due to customers	1,624,264,631	28,742,618	258,072,176	33,101	1,911,112,525
Other liabilities	347,240,162	2,855,290	242,231,121	23,653	592,350,226
Total liabilities	**2,591,335,193**	**31,597,908**	**514,021,847**	**56,754**	**3,137,011,701**
Net on balance sheet position	**(883,429,222)**	**143,567**	**12,654,692**	**2,770,713**	**(867,860,250)**
Net off balance sheet position	**866,450,540**	**-**	**(4,572,850)**	**25,220**	**861,902,910**
Net open position	**(16,978,682)**	**143,567**	**8,081,842**	**2,795,933**	**(5,957,340)**

31 December 2021

	USD GH¢	GBP GH¢	EURO GH¢	Others GH¢	Total GH¢
Assets					
Cash and balances with bank of ghana	7,505,108	2,407,683	13,527,944	-	23,440,735
Due from other banks and financial institutions	133,453,630	28,096,627	170,109,673	2,338,000	333,997,930
Other assets	709	-	-	-	709
Loan and advances to customers	978,421,540	-	119,360,728	-	1,097,782,268
Total assets	**1,119,380,987**	**30,504,310**	**302,998,345**	**2,338,000**	**1,455,221,643**
Liabilities					
Due to other banks and financial institutions	568,327,213	-	17,070,250	-	585,397,463
Due to customers	992,155,792	24,631,840	177,090,318	25,510	1,193,903,460
Other liabilities	169,210,808	5,724,420	137,797,495	25	312,732,748
Total liabilities	**1,729,693,813**	**30,356,260**	**331,958,063**	**25,535**	**2,092,033,671**
Net on balance sheet position	(610,312,826)	148,050	(28,959,718)	2,312,465	(636,812,029)
Net off balance sheet position	602,111,525	-	578,160	-	602,689,685
Net open position	**(8,201,301)**	**148,050**	**(28,381,558)**	**2,312,465**	**(34,122,342)**

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 PLC 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.

- 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 breached two sections of the Specialised Deposit -Taking Instiutuions Act, 2016 (Act 930). The Bank was levied an amount of GHS 252,000 in respect of regulatory breaches in relation to the breach of BOG directives and late submission of 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 2022	Retail Banking GH¢	Corporate Banking GH¢	Treasury GH¢	Total GH¢
Revenue				
Interest and similar revenue (3 parties)	285,120,714	374,376,515	-	659,497,229
Interest and similar expense	(57,806,255)	(74,315,887)	(2,808,534)	(134,930,676)
Net interest margin	**227,314,459**	**300,060,628**	**(2,808,534)**	**524,566,553**
Fees & commission revenue	63,949,924	40,247,030	975,169	105,172,123
Fees & commission expense	(30,345,190)	(5,968,762)	-	(36,313,952)
Net commission income	**33,604,734**	**34,278,268**	**975,169**	**68,858,172**
Net trading revenue	52,975,420	42,758,581	-	95,734,001
Net income from other financial instruments carried at fair value	-	-	64,104,688	64,104,688
Other operating income	3,952,691	44,365,879	-	48,318,570
Total other operating income	**56,928,111**	**87,124,460**	**64,104,688**	**208,157,259**
Total operating income	**317,847,304**	**421,463,356**	**62,271,323**	**801,581,983**
Net impairment loss on financial assets	**(73,490,144)**	**(211,246,896)**	**-**	**(284,737,040)**
Operating income net of impairment charges	**244,357,160**	**210,216,460**	**62,271,324**	**516,844,943**
Personnel expenses	(83,882,960)	(74,867,666)	(12,870,385)	(171,621,011)
Depreciation/ amortisation	(18,890,750)	(17,900,185)	(2,643,000)	(39,433,935)
Other operating expenses	(54,465,755)	(72,269,220)	(10,670,705)	(137,405,680)
Total operating expense	**(157,239,465)**	**(165,037,071)**	**(26,184,090)**	**(348,460,626)**
Profit before tax	**87,117,694**	**45,179,389**	**36,087,234**	**168,384,317**
Total assets	**2,421,679,348**	**3,965,772,775**	**208,383,980**	**6,595,836,103**
Total liabilites	**2,466,806,248**	**3,040,392,030**	**-**	**5,507,198,278**

No revenue from transactions with a single customer or counter party amounted to 10% or more of the Bank's total revenue in 2022 or 2021. 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.

31 December 2021	Retail Banking GH¢	Corporate Banking GH¢	Treasury GH¢	Total GH¢
Revenue				
Interest and similar revenue (3 parties)	257,730,555	253,262,374	-	510,992,929
Interest and similar expense	(62,561,826)	(47,409,641)	(18,950)	(109,990,417)
Net interest margin	**195,168,729**	**205,852,733**	**(18,950)**	**401,002,512**
Fees & commission revenue	49,866,715	26,927,626	680,877	77,475,218
Fees & commission expense	(24,684,622)	(2,567,586)	-	(27,252,208)
Net commission income	**25,182,093**	**24,360,040**	**680,877**	**50,223,010**
Net trading revenue	415,549	40,377,803	-	40,793,352
Net income from other financial instruments carried at fair value	-	(27,729)	52,863,374	52,835,645
Other operating income	34,905,667	56,533,869	-	91,439,536
Total other operating income	**35,321,216**	**96,883,943**	**52,863,374**	**185,068,533**
Total operating income	**255,672,038**	**327,096,716**	**53,525,301**	**636,294,055**
Net impairment loss on financial assets	(26,714,612)	(6,692,970)	-	(33,407,581)
Operating income net of impairment charges	**228,957,426**	**320,403,746**	**53,525,301**	**602,886,473**
Personnel expenses	(67,365,684)	(57,546,041)	(10,605,143)	(135,516,867)
Depreciation/ amortisation	(16,384,331)	(15,832,480)	(2,590,788)	(34,807,599)
Other operating expenses	(60,511,345)	(77,415,827)	(12,668,135)	(150,595,307)
Total operating expense	**(144,261,360)**	**(150,794,348)**	**(25,864,066)**	**(320,919,773)**
Profit before tax	**84,696,066**	**169,609,398**	**27,661,235**	**281,966,699**
Total assets	**2,178,829,833**	**3,241,212,669**	**16,979,618**	**5,437,022,119**
Total liabilites	**2,101,326,756**	**2,266,620,378**	**40,509,648**	**4,408,456,782**

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. Retained earnings
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).

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. 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.

h. Other reserves
This is made up of FVOCI reserves on debt securities and FVOCI on equity investments. FVOCI reserve on debt securities records unrealized gains and losses on government securities.

	2022 FVOCI reserve GH¢	**2021 FVOCI reserve GH¢**
Opening balances	818,835	1,335,904
Movements in Fair Value	(507,879)	(689,425)
Investment securities measured at FVOCI- tax	126,970	172,356
	437,926	**818,835**

i. 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 2022 is shown below:

	2022 Actual GH¢	2021 Actual GH¢
Ordinary share paid up capital	404,245,427	404,245,427
Income surplus	158,925,654	69,064,959
Profit to date	160,426,390	184,329,633
Reserve fund	292,518,630	246,436,221
	1,016,116,101	**904,076,240**
Regulatory adjustments	166,451,841	93,779,813
CET 1 Capital	**849,664,260**	**810,296,427**
CET 2 Capital	74,202,155	61,835,129
Total regulatory capital	**923,866,416**	**872,131,557**
Risk-weighted assets		
Credit Risk	4,710,660,094	2,989,067,556
Market Risk	53,790,734	40,130,738
Operational Risk	1,008,749,812	868,255,691
Total Risk Weighted Assets	**5,773,200,640**	**3,897,453,985**
Common Equity Tier 1 / RWA	**14.72%**	**20.79%**
Capital adequacy Ratio	**16.00%**	**22.38%**

41. Compliance status of externally imposed capital requirement

During the past year Societe Generale Ghana PLC 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	26,932	8,206,316	1.16%
1,001-5,000	5,077	8,485,408	1.20%
5,001-10,000	879	5,762,406	0.81%
Over 10,000	659	686,687,237	96.83%
	33,547	**709,141,367**	**100.0%**

42. Subsequent events

On 5 December 2022, the Government of Ghana launched the Domestic Debt Exchange Program (DDEP) for a voluntary exchange of holdings of domestic notes and bonds of the Republic, including ESLA and Daakye bonds for a package of new bonds to be issues by the Republic. The existing Government bonds were replaced with a series of 12 new bonds with new repayment terms (interest rates and maturity dates). Treasury bills were however exempted from the exchange. Individuals who were initially exempted from the exchange were later encouraged to participate. The program forms part of Government efforts to restructure its existing debt portfolio and service its current obligations in order to secure IMF funding.

The Government's Domestic Debt Exchange Program (DDEP) closed on Friday 10 February 2023 with over 80% participation of eligible bonds. SG Ghana participated in the DDEP. An impairment of the existing bond holdings was computed and adjusted in the 2022 financials. The total value of bonds exchanged (cost and capitalized interest) amounted to GH¢ 142,296,059. Total impairment relating to the these bonds was GH¢68,781,952. The impact to the profitability, liquidity and solvency of the bank was not significant.

Value added statement

Value added statements for the year ended 31 December	2022 GH¢	2021 GH¢
Interest earned and other operating income	972,826,612	773,536,678
Direct cost	(171,244,628)	(137,242,625)
Value added by banking services	801,862,105	636,294,053
Impairment	(284,737,040)	(33,407,581)
Value added	**516,844,943**	**602,886,472**
Distributes as follows:		
To employees :-		
Directors (without executives)	(2,064,123)	(951,893)
Executive directors	(3,425,044)	(2,628,396)
Other employees	(168,195,967)	(132,888,471)
To government :-		
Income tax	(59,544,391)	(97,637,066)
To providers of capital :-		
Dividend to shareholders		
To expansion and growth :-		
Depreciation	(32,747,077)	(30,463,364)
Amortisation	(6,686,857)	(4,344,234)
Other operating cost	(135,341,557)	(149,643,414)
To retained earnings	108,839,926	184,329,633

Shareholding structure

Twenty Largest Shareholders

Shareholders

Account Name		Number or Holding	% Owned
1	SG-FINANCIAL SERVICES HOLDING,	427,079,030	60.22
2	SOCIAL SECURITY AND NATIONAL INSURANCE TRUST,	137,262,404	19.36
3	OFORI, DANIEL	48,241,241	6.80
4	SCGN / ENTERPRISE LIFE ASS. CO. POLICY HOLDERS	9,989,540	1.41
5	SCGN/CITIBANK KUWAIT INV AUTHORITY	4,209,470	0.59
6	AMENUVOR, GIDEON	3,693,934	0.52
7	SCGN/'EPACK INVESTMENT FUND LIMITED TRANSACTION	3,515,443	0.50
8	SOCIETE GENERALE EMPLOYEES' SHARE OWNERSHIP	3,348,127	0.47
9	ENO INTERNATIONAL LLC,	2,494,761	0.35
10	SCGN/JPMSE LUX RE ROBECO AFRIKA FONDS N.V. -EMJ83	2,193,248	0.31
11	SCGN/CACEIS BANK RE:HMG GLOBETROTTER	2,125,646	0.30
12	SCGN/DATABANK BALANCED FUND LIMITED	2,051,093	0.29
13	MR. PHILIP OPOKU-MENSAH	2,000,000	0.28
14	ADJEPON-YAMOAH, BEATRICE E. MRS	1,982,930	0.28
15	EDC/TEACHERS EQUITY FUND,	1,746,206	0.25
16	HFCN/ EDC GHANA BALANCED FUND LIMITED	1,540,476	0.22
17	SCGN/PETRA ADVANTAGE PORTFOLIO EQUITIES DATABANK ACCOUNT	1,448,372	0.20
18	SCGN/SSB EATON VANCE TAX-, MANAGED EMERGING MARKET FUND	1,345,362	0.19
19	MBG ESSPA SCHEME	1,009,233	0.14
20	MINING INDUSTRY MASTER TRUST OCCUPATIONAL PENSION SCHEME	976,348	0.14
	Total	658,252,864	92.82
	Others	50,888,503	7.18
	Grand Total	**709,141,367**	**100.00%**

Director's shareholding

Director	Shareholding
NIL	-

ANALYSIS OF SHAREHOLDING AT 31 DECEMBER 2022

	NUMBER OF SHAREHOLDERS	NUMBER OF SHARES	% HOLDING
NON DEPOSITORY	24,216	19,278,067	2.72
DEPOSITORY (CSD)	9,331	689,863,300	97.28
TOTAL	33,547	709,141,367	100.00

Annual general meeting guidelines

NOTES:

i. In compliance with the current restrictions on public gatherings in force pursuant to the imposition of Restrictions Act, 2020 (Act 1012) and consequent Regulatory Directives, attendance and participation by all members and/or their proxies in this year's Annual General Meeting of the Company shall be strictly virtual (i.e. by online participation).

ii. A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend (via online participation) and vote on his/her behalf. Such a proxy need not be a member of the Company.

iii. The appointment of a proxy will not prevent a member from subsequently attending and voting at the meeting (via online participation). Where a member attends the meeting in person (participates online), the proxy appointment shall be deemed to be revoked.

iv. A copy of the Form of Proxy can be downloaded from the Societe Generale Ghana website **https://societegenerale.com.gh** and may be filled and sent via email to *registrars@nthc.com.gh* or deposited at the **registered office of the Registrars of the Company**, NTHC Company Limited, NTHC House, 18 Gamel Abdul Nasser Avenue, Ringway Estate Accra to arrive **no later than 48 hours before the appointed time for the meeting.**

Accessing and Voting at the Virtual AGM

v. **A unique token number** will be sent to shareholders by email and/or SMS from 15th September 2023 to give them access to the meeting. Shareholders who do not receive this token can contact the **Registrars NTHC Company Limited**, NTHC House, 18 Gamel Abdul Nasser Avenue, Ringway Estate Accra on telephone number 059 310 5735 or by email *registrars@nthc.com.gh* or any time after 15th September 2023 but before the date of the AGM to be sent the unique token.

vi. **To gain access to the Virtual Annual General Meeting,** shareholders must visit **https://sgghanaagm.com** and input their **unique token number** shared with them to gain access to the meeting. For shareholders who do not submit proxy forms to the Registrar of the Company prior to the meeting they may vote electronically during the Virtual AGM; again, using their unique token number. Further assistance on accessing the meeting and voting electronically can be found on **https://societegenerale.com.gh and https://sgghanaagm.com**

For further information, please contact the Registrar:

NTHC Company Limited
NTHC House, 18 Gamel Abdul Nasser Avenue
Ringway Estate Accra
PO Box KIA 9563, Accra
Telephone No: 059 310 5735
Email: *registrars@nthc.com.gh*

PROXY FORM
FOR ANNUAL GENERAL MEETING

I/We ……………………………………………………………………….......……………………………………..……………...............…..............
(Block Capital Please)

Of ……..................…..............
being member/members of SOCIETE GENERALE GHANA PLC

hereby appoint………………………..………..…………………………………………………………………………..............…..…..............
(insert full name)

Of.…………………………………..…………………………………………………………………………………………..….........…..…….............

(or failing him the duly appointed Chairman of the meeting) as my/our Proxy to vote for me/us at the Virtual Annual General meeting to be held on Friday 29 September 2023 at 11:00a.m. and at every adjournment thereof):

RESOLUTION		FOR	AGAINST
1.	To receive the accounts		
2.	To re-elect Directors		
3.	To approve Directors fees		
4.	To authorize the directors to fix the remuneration of the Auditors		
5.	To amend the constitution of the company to provide that all Dividend Payments shall be through electronic means		

Signed this …………… day of ………………………...…… 2023

Shareholder's Signature…………...……………………………..

SOCIETE GENERALE
GHANA

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. **RESOLUTION NO 1 TO RECEIVE THE 2022 ACCOUNTS**
The Board shall propose the acceptance of the 2022 Financial Statements as the true and fair view of the state of affairs of the company for the year ended 31 December 2022.

2. **RESOLUTION NO 2 TO RE-ELECT DIRECTORS**

3. **APPROVE DIRECTORS FEES**
In accordance with Section 185(1)(2) of the Companies Act, 2019(Act 992) and Section 78(3) of the Constitution of the Bank , it is hereby proposed that the Directors remuneration be paid at such a rate not exceeding an aggregate of GHS1,583,920 It is further proposed that the Board of Directors be given the mandate to approve the emoluments of the Executive Director.

4. **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 Constitution of the Bank, the Board of Directors recommend that Deloitte & Touche continue as Auditors of the Company. The Board will request that they fix the fees of the Auditors.

5. **TO AMEND THE CONSITUTION OF THE COMPANY TO PROVIDE THAT ALL DIVIDEND PAYMENTS SHALL BE THROUGH ELECTRONIC MEANS**
In accordance with Section 30 of the Companies Act ,2019 (Act 992) and the Constitution of the Bank, the Board of Directors are seeking shareholders approval to amend the Constitution of the Company to provide that all dividend payments shall be through electronic payments means.

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

FOLD HERE

FOLD HERE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TO A WORLD
OF LUXURY
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ENJOY FOUR (4)
LOUNGE VISITS IN A YEAR
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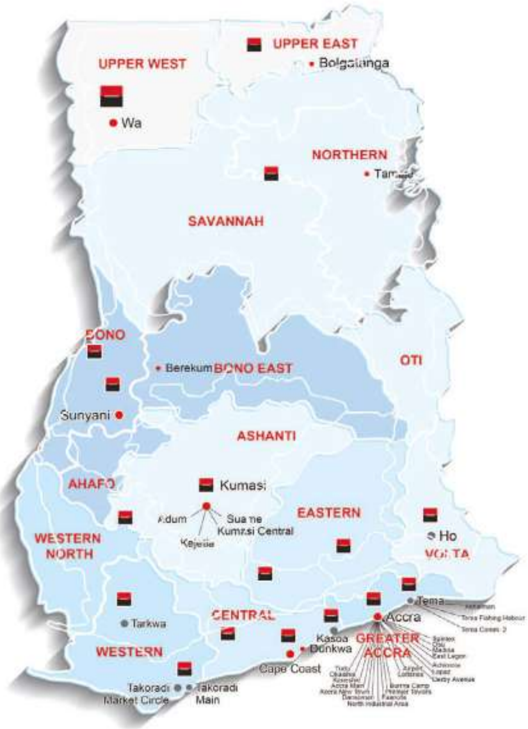

CALL

0302 214 314 to speak to our 24/7 contact service agents

Call 0302 208 600
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	0303974816/7/8	GA-204-7922
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
Derby Avenue	P O Box 13119, Accra	0303 979568-9	GA-182-9336
East Legon	P O Box 13119, Accra	03022543729	GA-288-4215
Faanofa	P O Box 13119, Accra	0302 252500/0302234704	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-262-4993
Lapaz	P O Box 13119, Accra	0303 979 557 / 0303 979 558	GA-464-7418
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	0302790385	GA-035-5968
Premier Towers	P O Box 13119, Accra	0577650933	GA-110-5597
Spintex Road	P O Box 13119, Accra	0302 961993	GT-334-4009
Tema Community 2	P O Box Co 2885, Tema	0303202558/0577670228	GT-055-2185
Tema Fishing Harbour	P O Box Co 1668, Tema	0577650911/ 0577650912	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	AK-038-1042
Kumasi Central	P O Box 4542, Kumasi	0577 650972-4	AK-018-5506
Suame	P O Box 4542, Kumasi	0303973691	AK-030-7453
Kejetia	P O Box 4542, Kumasi	020 2801070	AK-006-1536
BONO REGION			
Berekum	P O Box 49, Berekum	0577650964	BB-007-5912
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	CU-0000-2373
Kasoa	P O Box 13119, Accra	0303932443 / 0302984479	CG-0702-0650
EASTERN REGION			
Akim Oda	P O Box 325, Akim Oda	0577650949/50	EB-0005-9639
Koforidua	P O Box 987, Koforidua	0577650936	EN-010-9904
NORTHERN REGION			
Tamale	P O Box 192, Tamale	0372023253	NT-0008-6651
UPPER EAST REGION			
Bolgatanga	P O Box 344, Bolgatanga	0382023305	UB-0001-1721
UPPER WEST REGION			
Wa	P O Box 240, Wa	0392022147	XW-0018-3168
VOLTA REGION			
Ho	P O Box HP - 360, Ho	0362026651	VH-0004-4396
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	WS-202-4539
Takoradi Market Circle	P O Box 660, Takoradi	0312033288	WS-291-3607

DIGITAL ZONES			
37 Millitary Hospital	P. O. Box 13119, Accra	0302 214 314	GA-007-6869
Methodist University	P. O. Box 13119, Accra	0302 214 314	GA-504-9707
University of Ghana	P. O. Box 13119, Accra	0302 214 314	GA-419-6620
Koforidua Technical University	P. O. Box 13119, Accra	0302 214 314	EN-112-9681
University of Mines and Technology	P. O. Box 13119, Accra	0302 214 314	WT-0038-6729
Takoradi Technical University	P. O. Box 13119, Accra	0302 214 314	WS-200-2470
Kumasi Technical University	P. O. Box 13119, Accra	0302 214 314	AK-040-6130
University of Development Studies	P. O. Box 13119, Accra	0302 214 314	NT-0273-6382
Cape Coast Technical University	P. O. Box 13119, Accra	0302 214 314	

HEAD OFFICE BUSINESS UNITS			
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

THE FUTURE IS YOU

SOCIETE GENERALE GHANA

Notes