2020 ANNUAL REPORT

THE FUTURE IS YOU

SOCIETE GENERALE GHANA

SOCIETE GENERALE GHANA

2020 ANNUAL REPORT AND FINANCIAL STATEMENTS

2020 Major Events

WE INTRODUCED INNOVATIONS

Our all new innovation lab

WE LAUNCHED NEW SERVICES

Easily pay your customs duty at any SG Ghana branch

Pay for all government services and taxes at any SG Ghana branch

2020 Major Events

WE LAUNCHED EXCITING COMMERCIAL PROMOTIONS & CAMPAIGNS

Loans Promotion

Cards Promotion

Vehicle financing offer for our customers in collaboration with CFAO Motors

WE OPENED MORE OUTLETS

Airport City Branch

Derby Avenue Branch

Lapaz Branch

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 & commitment to provide quality products and services that best satisfy the needs of our customers.

OUR VALUES: TEAM SPIRIT, INNOVATION, RESPONSIBILITY & 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.

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 OF VIRTUAL
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 41st 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 Thursday 30 September 2021 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 2020.
2. To re-elect a Director; the following director retiring by rotation pursuant to Section 88(1) of the Company's Constitution who being eligible, offers herself for re-election
   - Mrs Laurette Otchere
3. To elect a director; the following director appointed during the year and retiring in accordance with section 72(1) of the Companies Constitution
   - Francis Awua-Kyerematen
4. To approve Directors' fees
5. To authorize the Directors to determine the remuneration of the Auditors

Dated, this 24 day of March 2021.

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BY ORDER OF THE BOARD
ANGELA NANANSAA BONSU
THE SECRETARY

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Societe Generale Ghana
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CORPORATE INFORMATION

BOARD OF DIRECTORS

1.	Margaret Boateng Sekyere	-	Board Chair Independent Non-Executive
2.	Hakim Ouzzani	-	Managing Director
3.	Laurette Korkor Otchere	-	Non-Executive
4.	Agnes Tauty Giraldi	-	Non-Executive
5.	Georges Wega	-	Non-Executive
6.	Arnaud De Gaudemaris	-	Non-Executive
7.	Martine Hitti	-	Independent Non-Executive
8.	Fosuhene Acheampong	-	Non-Executive
9.	Francis Awua-Kyerematen	-	Independent Non Executive

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

Ernst & Young Chartered Accountants
No G 15 Building
Airport Residential Area
White Avenue
Accra Ghana
PO Box KA 16009
Airport, Accra, Ghana

REGISTRARS

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

COUNTRY OF INCORPORATION Ghana, Accra

HOLDING COMPANY SG Financial Services, Holding Company

ULTIMATE HOLDING COMPANY Societe Generale incorporated in France

PROFILE OF THE BOARD OF DIRECTORS

MARGARET BOATENG SEKYERE (Chairperson)

EXECUTIVE DIRECTOR

HAKIM OUZZANI (Managing Director)

INDEPENDENT NON-EXECUTIVE DIRECTOR

FRANCIS AWUA-KYEREMATEN (Member)

MARTINE HITTI (Member)

NON-EXECUTIVE DIRECTORS

GEORGES WEGA (Member)

AGNES TAUTY GIRALDI (Member)

LAURETTE OTCHERE (Member)

ARNAUD DE GAUDESMARIS (Member)

FOSUHENE ACHEAMPONG (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 Brazaville, 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 the 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.

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.

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

Arnaud De Gaudemaris: **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 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.

Profile Of The Board Of Directors cont'd

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

Mr 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.

Mr 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. He is the Principal Advisor and Managing Director for Winchmore Capital. Mr Awua-Kyerematen worked as the Country Director for Citibank Ghana from 2008 to 2016. Prior to moving to Ghana, he was with Citigroup in the London Office responsible for Debt Capital Markets – Middle East & African Desk from 2005. He also worked as a Senior Compliance Accountant for HM Revenue Customs in the UK from 1998 to 2003. He also spent a year with Grant Thornton Ipswich Office UK as a Senior Corporate Finance and Recovery Associate from 1997 to 1998. 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.

KEY MANAGEMENT PERSONNEL

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

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 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).

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. With over 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. She has also worked on Project Portfolio Management, Information System Management, Business Process Management and Banking operations. Before her appointment as the COO, 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. She holds a Master of Business Administration from the Middlesex University Business School, London and an honours degree in Law from Birkbeck College, University of London. She is a professionally qualified member in good standing with the Institute of Directors Ghana. She has rich professional experience in Company Secretaryship, Compliance, Corporate Governance, Business Integration, Global Employee Share Ownership Programmes, Legal Administration, Human Resource, and Project Management with over two decades of experience working in various capacities. As the Company Secretary for a Bank listed on the Ghana Stock Exchange, Ms Bonsu also has oversight responsibility for Permanent Control, the Legal Department, Communications, Environmental & Social Management Systems, Sustainable Development & Corporate Social Responsibility.

Felix Adjaku: Chief Finance Officer. He is a Fellow of the Association of Chartered Certified Accountants (ACCA) UK and holds a Bachelor degree in Sociology from the University of Ghana. Felix has worked in various departments of the bank namely Corporate banking as a credit analyst, Treasury department as an Asset and Liability Management officer and as a branch officer within the Retail Banking department. Before being appointed the Chief Finance Officer he was the Head of Financial Reporting and performance measurement. Felix has 11 years' experience in banking.

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

Abena Asare-Menako: Acting Chief Compliance Officer. She is an experienced banking professional with expertise in Resource Management, Retail Banking, Business/Corporate Banking, Sales, Marketing, Relationship Management, Card and POS (Payments) Management, Banking Operations, Operational Risk, Compliance Management and Project Management. She possesses 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 also responsible for ensuring the Bank complies with all relevant anti-money laundering regulations by providing advice to management and ensuring compliance with local and related Financial Security Topics including but not limited to Anti-Money Laundering, Sanctions and Embargo, KYC and Correspondent Banking. 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 Institute of Marketing U.K.

Catherine Johnson: General Manager Treasury and Global Markets. She holds a BSc Accounting Degree from Cardiff

Key Management Personnel cont'd

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.

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

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 of experience in the industry both in Ghana and the USA, where he started his banking career.

Dorcas Quaye: Head Human Resource Management. She holds a BA in Social Sciences from the Kwame Nkrumah University of Science and Technology, and is a certified AML/ SANCTIONS and EMBARGO practitioner. She has over 30 years of rich and full rounded banking experience in branch management, Retail and SME businesses, and Operational Risk management. As a branch manager, she managed three branches, and thereafter she was appointed as the Head of the SME Business Banking Unit. She was appointed the Head of Compliance, AML & CFT when the unit was created in the Bank in 2010. In October 2015, she was appointed as the Head of Permanent Control and Operational, Risk, with oversight responsibility for Managerial Supervision, Business Continuity and Crisis Management, Compliance Anti Money Laundering and Operational Risk. In 2020 Dorcas was appointed Head Human Resource Management

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

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

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 seventeen years, he has built extensive experience in enterprise IT management and service delivery. He is also experienced in Logistics and Estate management. He worked in various capacities as Head of Data Centre Operations, Head of Network and System, Head of IT Security and Business Continuity Planning and Head of Information Systems and Technology.

Adwoa Asieduaa Ntirakwa: Head Organisation & Projects. She is a product of the University of Ghana Business School with a BSc in Banking and Finance Option 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 –

Key Management Personnel cont'd

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. 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 and a strong business judgement and interpersonal skills, he has successfully managed many client projects and developed many 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. He holds a Master's Degree in International Affairs from the University of Ghana's Legon Centre for International Affairs and Diplomacy in addition to a Master's Degree in Business Administration from GIMPA.

BOARD CHAIR'S STATEMENT

Distinguished shareholders on behalf of the Board of Directors and Management of Societe Generale Ghana PLC, I am pleased to welcome you to the 41st Annual General Meeting of our Bank and present to you for the first time in my capacity as Board Chair, the Audited Annual Report and Financial Statements for the financial year ended 31 December 2020.

Economic environment

This year has been a challenging one generally for the global economy as a result of the global health crisis and its attendant ripple effects on many aspects of human existence. Many countries faced a multi-layered crisis comprising a health shock, domestic economic and financial disruptions, plummeting external demand, capital flow reversals, and a collapse in commodity prices.

There is however much reason to be hopeful. Testing has been ramped up, treatments are improving, vaccines have been approved and rolled out, and recent data shows that many economies have started to recover at a faster pace than earlier anticipated.

According to the IMF, global growth is expected to increase to 5.5 percent in 2021 and 4.2 percent in 2022 after an estimated contraction of 3.5 percent in 2020. Global trade volumes, consistent with recovery in global activity is also forecasted to grow about 8 percent in 2021, before moderating to 6 percent in 2022. Inflation is also expected to remain subdued for the next two years. Global financial conditions have also generally improved, characterized by a general increase in investor confidence and expectation, rising risk asset prices, and an ongoing rebound of portfolio flows to emerging market economies.

The economic situation in Africa generally mirrors that of the world. GDP contracted by 2.1 percent this year, the continent's first recession in half a century. The pandemic shock and ensuing economic crisis have had direct implications for budgetary balances and debt burdens. According to the African Development Bank, the average debt-to-GDP ratio for Africa is expected to climb by 10 to 15 percentage points in the short to medium term. That means serious debt challenges might be looming, and disorderly defaults and lengthy resolutions could become a major obstacle to Africa's progress toward prosperity

Core inflation (in food and energy prices) has also risen in many African countries. Significant currency depreciation has occurred, particularly in frontier market economies, partly as a result of the disruptions in external financial flows—including remittances, foreign direct investment, portfolio investment, and official development assistance. In light of all these however, GDP is forecasted to grow at 3.4 percent in 2021. It is expected that countercyclical easy monetary policy and fiscal stimulus packages will support the continent's economic recovery.

Operating environment

Ghana's economy showed resilience after recording a strong growth of 6.5 percent in 2019. In the first quarter of 2020, Real GDP growth stood at 4.9 percent. However, this momentum was significantly curtailed generally due to a slump in oil prices and weakened global economic activity caused by the COVID- 19 pandemic.

Following the lifting of restrictions and strong policy support, signs of recovery begun to emerge in the third quarter. Provisional data released by the Ghana Statistical Service showed that real GDP growth contracted by 1.1 percent in the third quarter of 2020 as compared to the 3.2 percent contraction recorded in the second quarter. The upward trend is expected to continue. According to Fitch Research analysts, real GDP growth is expected to increase from an estimated 1.2 percent at the end of December 2020 to 4.5 percent in 2021, and 4.3 percent in 2022

Inflationary pressure, which mounted in April 2020 on account of pandemic-related measures, started easing in August 2020 on the back of declining food prices, partly reflecting effects of seasonal factors. This resulted in an end of year inflation of 10.4 percent above the central bank's target range of 8 +/-2. Forecasts from Fitch Research point to an average inflation rate of 8.7 percent in 2021 and 8.2 percent in 2022

Ghana's provisional total public debt stock as at end of December 2020 stood at GH¢291,614 million, representing 76.1 percent of GDP, compared to GH¢217,991 million, equivalent to 62.4 percent of GDP in 2019. One of the major components accounting for the increase in the public debt is the fiscal impact of Covid-19 expenses which amounted to GH¢19.7 billion in 2020. The country recorded an overall fiscal deficit of 11.7 percent of GDP at the end of December 2020. This is mainly attributed to revenue shortfall from weak economic activity and unanticipated increased health expenditure. The deficit was financed from both the domestic and external sources.

The current account deficit narrowed because of reduced demand for imports. According to the MPC press release in January 2021, crude oil prices declined by 22.9 percent year-on-year in December 2020, driven mainly by weak demand. Crude oil prices averaged US$50.2 per barrel, compared with US$65.2 per barrel a year ago. In contrast, gold prices went up by 25.4 percent to an average of US$1,857.2 per fine ounce, strongly supported by accommodative monetary policy, increased uncertainty, and the global economic slowdown due to the pandemic. Cocoa prices averaged US$2,581.3 per tonne in December 2020, up by 2.5 percent on a year-on-year basis.

Ghana's Gross International Reserves rose to $8,624 million at the end of December 2020 from $8,418 million recorded at the end of December 2019. The current level of reserves is sufficient to provide cover for about 4.1 months of importation bills above the forecast cover of 4.0 months. The country's strong reserve position has resulted in stability in the foreign exchange market despite capital flow reversals as a result of the heightened global uncertainty

The exchange rate between the Ghana cedi and US dollar remained stable with volatility reflecting seasonal import-driven demand. Increased public debt and shortfalls in domestic revenues pose challenges to further macroeconomic improvements. The cedi has cumulatively depreciated against the US Dollar and Euro by 3.9 percent and 12.1 percent respectively on a year to date basis.

2020 Operating results
The year has been a challenging one for the industry in Ghana and globally. However the performance of the bank for 2020 was encouraging given the global pandemic currently sweeping through the country and world as a whole. The Profit After Tax of the bank for this year stood at GH¢ 154,208,915 and compared favorably to the 2019 performance of GH¢ 128,542,186. Some indicators worth mentioning are the Net Banking Income (7.8% growth) , Operating expenses (6.0% growth)Total Assets (15.1% growth) and Total Shareholders' Funds(15.4% growth). All in all the bank remained resilient and recorded gains on most of its notable indicators.

Share performance
At the start of the year 2020 our share price was GH¢0.72. By the second half of 2020 the share price fell to GH¢0.60. The year 2020 saw our share price decrease to GH¢0.64 when compared to the beginning of the year performance.

Change of name to Societe Generale Ghana PLC
Shareholders by a special resolution granted approval on 20 July 2020 for the name of the company to be changed. The Registrar of Companies granted approval on 23 November 2020 pursuant to Section 21(1)(b) of the Companies Act ,2019 (Act 992). The Bank of Ghana also approved the name change of the Bank.

Changes in the Board of Directors
Mr Kofi Ampim stepped down as Board Chairman in line with the Bank of Ghana Corporate Governance Directive 2018 on 30 September 2020. The Board, management and Staff of Societe Generale Ghana PLC are deeply saddened by the death of Mr. Kofi Ampim ,the immediate past Board Chairman which occured on 30 January 2021.

From 1992 to 2003, for a period of 10 years, the late Mr Kofi Ampim was the Ghana Country Representative for the Societe Generale Group.

Mr Kofi Ampim joined the Board of Directors of the Bank in March 2003 when the Societe Generale Group took over the controlling interest in the Bank Societe Generale Ghana PLC. At the 280th Board of Directors meeting of Societe Generale Ghana, held in La Defense Paris on 15 November 2012, the Directors of the Bank appointed the late Mr Kofi Ampim as the first Ghanaian Chairman of the Board a position he held and served faithfully until 30 September 2020 when he stepped down as Chairman after a Virtual Extra Ordinary General Meeting of the Bank.
I would like to posthumously thank Mr Kofi Ampim for his exemplary leadership and direction of the Board.

The Bank of Ghana granted approval for the Board Chairperson on 15 September 2020 and Mrs Margaret Boateng Sekyere assumed the Board Chair on 1 October 2020.

Corporate governance
Our Bank is committed to ensuring effective corporate governance and sound risk management, which are of fundamental importance in banking business. The Companies Act, 2019 (Act 992); The Banks and Specialised Deposit Taking Institutions Act 2016 (Act 930); the Bank of Ghana's Corporate Governance Directive 2018; the Securities Industry Act 2016 (Act 292); the Securities and Exchange Commission the Corporate Governance Code for Listed Companies 2020; 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 2021
The year 2020 saw very peaceful elections and the deepening of Ghana's democracy. For the year 2021 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.

Acknowledgement
On behalf of the Board of Directors, I wish to express my sincere gratitude to all shareholders of Societe Generale Ghana for your continued support 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 express my heartfelt gratitude to our cherished customers for their unflinching support, loyalty and patronage. Together we are continuing to build Societe Generale Ghana 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 achievement made during 2020 and to share with you a review of our operations and the performance of your Company for the year 2020.

2020 Operating Results

The economic terrain in the year 2020 was undulating not only for the banking sector but across all industries. The surge of the COVID 19 pandemic during the year led to a visible change in our banking operations and also had an impact on the various projections of growth and performance that had been made. Your bank SG Ghana surmounted all these obvious challenges and recorded a growth in profits of 20.0%. A major contributor to this sterling performance is the Net Cost of Risk which improved over the year by 39.3%.Treasury activities for the year also saw a significant improvement growing by 26.7%. The deposit portfolio of the bank grew by 9.1%. The marginal growth was somewhat expected given the liquidity crunch due to the COVID 19 situation. The loan book of the bank however saw a decline of 3.1%.

Review of operations for 2020

Human resources management

The HR function in the year 2020 provided the needed support for the workforce in the organization during the uncertain pandemic environment. The various strategies that were put in place to ensure continuity in employee productivity were:

- Decongestion of the Head office to allow staff to work from other branch locations;
- Piloting of the 'working from home' concept for certain job roles;
- Strict management of the Bank's leave policy;
- The adoption of remote training activities such as teleconferencing and the use of digital platforms.

Despite all these, the department rolled out the following:

- An internally developed HR Employee Self Service (ESS) tool to assist in the management of staff requests;
- The setup of a Mobility Committee to consciously see to the movement of employees across the organization to develop the quality of staff.

Corporate coverage department

The Corporate Coverage Department underwent further reorganization and restructuring in 2020. The Middle Market Unit was further de-compartmentalized into two as Commercial Banking and Business Banking based on turnovers. This was to re align focus and targeted business development of the SME portfolio. While the Commercial Banking unit is domiciled at the head office, the Business Banking unit provides geographical representation of corporate coverage in significant regions of Ghana on a sustained basis.

Global Transaction Banking Department in 2020 was merged into the Corporate Coverage Department to create a more collaborative working relationship between relationship managers and product experts. The Department is thus now segmented as Global Corporates (Multinationals), Local Large Corporates, Public Sector Business, Commercial Banking, Business Banking and the Global Transaction Banking units. The new structure will continue to facilitate adequate time for coaching and allow the various sector heads build the capacity of their teams and affords them the opportunity to develop and deepen their knowledge towards becoming experts in their respective sectors of operation whilst working closely with product experts.

The active participation in debt syndication and structured finance deals as well as the performance of lead arranger roles for these deals were with the support of our local and regional structured finance teams. The securing of big ticket corporate loan facilities helped grow the portfolio of the segment over the year. The deliberate and conscious effort via capex financing and medium to long term loans to change the structure of the asset book would continue to ensure marked reduction of the impact of the volatility of the short term loans on the total loan book

With the support of other stakeholders, the department worked hard to get SG Ghana affiliated to the Ghana.Gov/ UNIPASS payment platform and ensure the physical presence of the bank at the strategic entry points of Ghana like Tema and Takoradi ports, Kotoka International Airport, Aflao and Paga. The department also targeted customer acquisition as well as retention of major deposit generating clients and aggressive sale of our cash management and bill payment platforms. This move would be continued and reinforced with the coming into full operation of YUP.

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

Retail banking

The year 2020 began well with a lot of optimism, which was quickly whittled away with the onset of Covid 19. Consequently, the business shifted into a crisis management mode for the most part of the year to ensure that we manage the fallout in order to protect and preserve the business we held prior to, and to guard against any major setbacks by the time stability is restored. And to a large extent we succeeded in doing that.

Despite the challenges, we succeeded in growing our deposit stock appreciably, on a year-on-year basis in excess of 24%. This is due to the strategic forecasting up to the end of 2019, where Retail decided to make deposit mobilization a key performance indicator for our teams, and therefore put in place the necessary frameworks in terms of product focus and adjustments in objectives. On the asset side, we experienced significant challenges as Covid severely impacted a number of the institutions we deal with in a number of key sectors such as tourism & hospitality, aviation, education, manufacturing and certain service industries. We therefore had to suspend lending to almost 100 institutions, and worked on loan repayment moratoriums for a number of other institutions. A number of borrowers defaulted on their loans due to layoffs and other difficulties encountered during the course of the pandemic. In spite of these challenges we were able to maintain our stock of loans and even grew the book marginally in excess of 2%.

In addition to the above results on the key business KPIs, other significant projects and restructuring that Retail also embarked in the course of the year:

1. **Market collections strategy/branch:** This strategy is aimed at improving our deposit mobilisation, by setting up a new model designed to operate as a cash collection hub for the Bank. The target customers are traders/businesses within the Makola market and its environs. The model will be rolled out in Q1 2021.

The proposed model includes:

- A Branch - This branch will function as a normal branch on its own.
- Cash Collection Centre – this will focus on the mobilization of deposits from customers on a daily basis.
- Retail Chinese Desk - this will focus on onboarding new Chinese clients and ensuring the banking needs of Chinese customers within the vicinity are met.
- Yup Centre - the Centre will aim to promote the YUP brand within the Makola market and its environs through a number of outlined activities.

2. **Network development** – Opening of Lapaz Branch; Closure of Tema Community One & Asafo Branches

As part of the bank's strategy to increase its presence in viable markets, Lapaz Branch was opened in May 2020 to cater for the banking needs of our clients and prospects in this vibrant commercial and residential enclave. Similarly, as part of the efficient deployment of our resources and branch network optimization, two branches, Tema Community One and Asafo were closed on 21 and 31 December, 2020 respectively. In line with this intent, customer accounts in Tema Community One and Asafo branches were transferred to Tema Community Two and Kumasi Central Branch (KCB) respectively as the account holding branches.

3. **Bancassurance unit:** The Bancassurance unit was created in March 2020 under Retail Business. The key objective of this unit is to increase the Bancassurance commissions through product development, commercial and sales leads. The unit is also responsible for developing and managing insurance partnerships. This setup is meant to bring the necessary focus and expertise needed to drive this line of business, which is a good source of commission income.

4. **Suspension of saturday banking:** In the wake of the Covid-19 Pandemic, the bank suspended Saturday Banking in April 2020. This action was aimed at reducing face-to-face banking interaction during the pandemic. Customers were advised to use the available digital channels to access our services.

5. **Dormant & inactive accounts management:** We embarked on an exercise to clean up our account portfolio. The goal of this exercise was to identify the various categories of inactive and dormant accounts and close or reactivate them in line with the Bank of Ghana guidelines for managing dormant accounts. A bulk-account closure solution is being sought from SGABS (technical support service) to enable us close all the accounts earmarked for closure.

6. **KYC remediation & high risk KYC periodic review:** In keeping with Bank of Ghana and SG Group regulations, Retail Business invested time and effort remediating clients and also performing KYC Periodic Review for High Risk clients. The high concentration on KYC remediation coupled with the Covid-19 pandemic affected our Retail sales performance especially the sale of loan products.

Treasury and global markets

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

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

Organisation & projects

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

In the year under review the Bank upgraded its Core Baking System from Version 10 to 11 with improved architecture from Service Métiers Génériques (SMGs)/Application Programming Interface (APIs) to allow other applications to better interact with the Core Banking System and enhance customer satisfaction.

The Bank also successfully completed the Instant Issuing Cards Project, the first among other African Subsidiaries. The instant issuance of cards to customer has improved the turnaround time in delivering cards to customers.

The Interoperability project when completed will allow our customers to move funds from their Bank Accounts to their Wallets and also allow the transfer of funds to other Banks seamlessly.

The year also saw the opening of the Lapaz branch, the successful relocation of the Airport Branch to a more advantageous location to improve visibility and service delivery to our customers. Plans are also underway for the opening of our Derby Avenue Branch which will enhance deposit mobilisation and improve accessibility to our customers in and around the vicinity.

Operational risk and permanent control

Operational Risk and the Permanent Control department continue to play a critical role in deepening the risk culture in the Bank. In 2020, Societe Generale Ghana launched a number of innovative products and services to meet customers' growing demands. Consequently, effective risk assessments were performed on these products and services to enhance improvements in our business. The risk assessments focused on key areas of prevention, detection and timely response to minimize operational risks in the Bank.

Managerial Supervision Control activities, Business Continuity Plan focused mainly on the management of COVID-19 crisis, Business Impact Analysis, Risk Control Self-Assessment (RCSA), which identified all the risky activities of the Bank together with Risk Awareness and Sensitization Exercise formed the bedrock in strengthening the internal control systems of the Bank in 2020.

Our enhanced compliance activities also focused on strong ethical and regulatory standards, giving SG Ghana an overall sound and solid image in risk management actions.

Information technology

Societe Generale Ghana has implemented a wide-range of IT transformation plans aimed at accelerating the digital strategy of the SG Group by means of more open, agile and flexible IT infrastructure thereby allowing the business to deliver its range of current and prospective services faster to clients. The Bank has implemented some digital tools to facilitate access and deepen financial inclusion in Ghana. These are the

- SG Mobile Branch - using technology to bring banking to the doorstep of the customer.
- OpenApp: Remote onboarding at Client location – To facilitate product availability for the customer.
- DiGiT: Customer Self-Service – Balance enquiries, loan simulation, branch location search etc. to facilitate loan acquisition, feedback and complaints.
- SG Connect: Account to account transfer. Account to Wallet and Bill payment.

Marketing, multi-channel and quality review

The Department in 2020 supported the business with the research and development of new products, the review and implementation of updated pricing for the Corporate and Retail Business, and the running of product campaigns to support business strategy. Business was also supported with advertising and commercial communication on products and services.

To improve the customer experience mystery shopping and voice of the customer surveys were conducted to identify and address gaps using a continuous improvement model. A centralized complaints desk ensured the efficient resolution of customer complaints.

The development of various data analysis measures has provided the business with monitoring tools, which are used for regular analysis and decision making.

Corporate social responsibility

Societe Generale Ghana supported the country during the Covid -19 pandemic with a total of GH¢ 1,216,667. This was made up of a donation of GH¢ 500,000 to Covid 19 National Trust Fund. A donation of GH¢ 416,667 through the Ghana Association of Bankers and the donation of two (2) ventilators worth GH¢ 300,000 to two (2) Hospitals.

In addition, following the declaration of Covid-19 as a global pandemic by the World Health Organization (WHO), Societe Generale Ghana put together a number of interventions to alleviate the unanticipated financial hardships created for its worst affected clients.

These interventions include the deferment of loan repayment for up to six months for qualified customers whose incomes and cash flows are affected by the pandemic. A free COVID-19 Life Insurance Cover for all our customers, both new and existing, subscribing to our Sound Education and Sound Farewell policies with sum assured of up to GH¢ 10,000 (With Prudential). This is to safeguard customers by providing them with financial support in the unfortunate event of a diagnosis, hospitalization or death as a result the coronavirus. Additionally, in line with fee waiver announcement by the Ghana Bankers Association, we waived some charges on domestic funds transfers.

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's 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.

The future

With the stable political environment, our ambition is to continue the growth of our market share on credits, deposits, flows and market activities and position ourselves among the major players of the banking sector. The target is to grow our credit market share to 7.5% by the end of 2022. The deposit target is to grow the bank's deposit market share from 3.77% in 2020 to 5.2% by end of 2022. To continue to grow our share of market activities i.e. FX, Derivatives, Fixed Income trading from our current ranking to a market ranking of 6th position by 2023.

Appreciation

Finally, I would like to end by thanking the Board of Directors, Management and every member of staff for their individual and collective contribution to the organic growth of the Bank 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 2020 report as follows:-

	2020 GH¢	2019 GH¢
The Bank recorded net profit before taxation	221,630,035	176,691,350
From which is deducted taxation of	(67,421,120)	(48,149,164)
Giving a net profit after taxation of	154,208,915	128,542,186
There was transfer to statutory reserves of	(38,552,229)	(64,271,093)
Leaving a profit for the year after taxation and transfer to statutory reserves of	115,656,686	64,271,093
When added to the opening balance on the income surplus account as of 1 January of	66,161,749	30,256,311
From which is deducted final Dividend Paid of	(31,911,361)	(28,365,655)
It leaves a closing balance on the Income Surplus account of	**149,907,074**	**66,161,749**

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 Societe Generale Ghana PLC as SSBI is 100% owned by the bank. 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 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. 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

Retirement of Directors
Mr Kofi Ampim retired as a Director of the Bank on 30 September 2020 pursuant to the Bank of Ghana Corporate Governance Directive December 2018. He passed on 30 January 2021

Appointment of Board Chair
In line with the Bank of Ghana's Corporate Governance Directive, the Banking Supervision Department approved Mrs Margaret Boateng Sekyere as Board Chairperson on 15 September 2020 and she assumed the Board Chair on 1 October 2020.

Appointment of Non-Executive Director
Mr Fosuhene Acheampong was nominated to the Board in April 2020 with Bank of Ghana granting approval of the said nomination on 3 June 2020. 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.

Appointment of independent Non-Executive Director
Mr Francis Awua-Kyerematen is an 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. He is the Principal Advisor and Managing Director for Winchmore Capital. Mr Awua-Kyerematen has worked as the Country Director for Citibank Ghana from 2008 to 2016; prior to moving to Ghana, he was with Citigroup in the London Office responsible for Debt Capital Markets – Middle East & African Desk from 2005. He also worked as a Senior Compliance Accountant for HM Revenue Customs in the UK from 1998 to 2003. He also spent a year with Grant Thornton Ipswich Office UK as a Senior Corporate Finance and Recovery Associate from 1997 to 1998. 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.

Re-election of Directors
In accordance with Section 88 (1) of the Constitution of the Company, Mrs Laurette Korkor Otchere retires by rotation and being eligible; offers herself for re-election.

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

Election of Directors
In accordance with Section 72(1) and 90 of the Constitution of the Bank, Mr Francis Awua-Kyerematen was appointed as an Independent Non Executive Director of the Bank and offers himself for election.

Changes in Senior Management
- **Mr Ernest Kuetche** the Deputy Managing Director was re-assigned to SG in Morocco.
- **Mr Mohamed Fehri**, the Chief Finance and Administrative Officer was appointed as the SG West African Regional Chief Finance Officer.
- **Mr Cedric Chaux** Head of Marketing was re-assigned to the SG Head Office in Paris;
- **Mr Albert Ofori** , Head Human resource was appointed as Governance Manager.
- **Ms Jerodine Bampoe Addo** was re-assigned to the Corporate Banking Department
- **Mr Nii Arday Wontumi** resigned as the Head of the Legal Department.

The following appointments were made in 2020 :

- **Mr Francois Pousse** as the Deputy Managing Director;
- **Mr Felix Adjaku** as the Chief Finance Officer.
- **Ms Abena Asare-Menako** as the Acting Chief Compliance Officer.
- **Mr Elikplim Muzzu** as the Head of Marketing, Multichannel and Quality; and
- **Mrs Dorcas Quaye** as the Head of Human Resource Management.

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

Mr Charles Tamma the Deputy Head of the Legal Department was nominated by the Board of Directors as the Acting Head of the Department. The Company is seeking the prior approval of the Bank of Ghana pursuant to the Banks and Specialised Deposit Taking Institutions Act 2016 (Act 930) which provides that a Bank or Specialised Deposit Taking Institutions shall not appoint a person as a Key Management Personnel without the prior written approval of 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

The directors in an effort to build capacity to facilitate the discharge of their duties, underwent various forms of training during the year. The areas of training revolved around Corporate Governance and Capacity Building with the Ghana National Banking College on 14 January 2021 and 21 January 2021. The Directors were also trained by the Chief Compliance Officer on Anti Money Laundering and Combatting Financing of Terrorism in line with Bank of Ghana's Corporate Governance Directive 2018.

Unclaimed dividend

In accordance with the Companies Act 2019 (Act 992) any unclaimed Dividend for a period of 3 months will be transferred into an interest bearing account. The unclaimed Dividend with the accrued interest thereon will be transferred to the Registrar General after 12 months.

Bonus shares

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

Name change

The name of the company was changed to Societe Generale Ghana PLC in compliance with Section 21(1)(b) of the Companies Act ,2019 (Act 992). The name change was duly approved by the Bank of Ghana.

Policy on environmental and social management systems

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

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

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

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

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

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

Corporate 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 Specialised Deposit Taking Institutions Act ,2016 (Act

930)requires Regulated Financial Institutions to adopt sound corporate governance principles and best practices to enable them undertake their licensed business in a sustainable manner; to promote the interest of depositors and other stakeholders by enhancing corporate performance and accountability of the Regulated Financial Institutions; and to promote and maintain public trust and confidence in Regulated Financial Institutions by prescribing sound corporate governance standards which are critical to the proper functioning of the banking sector and the economy as a whole.

Sound corporate governance standards
The Board of Directors of the Bank have overall responsibility for the Company including approving and overseeing the implementation of the strategic objectives, risk strategy, corporate governance and corporate values. The Board is responsible for appointing and providing oversight of Senior Management. These responsibilities are set out in the formal Charter of the Board. The updated Charter was duly approved by members on 2 December 2020. 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 2020.

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

To promote sound corporate culture in the Company, the Board has taken the lead and established the tone at the top by setting and adhering to corporate values for itself, key management and employees that create expectations that business should be conducted in a legal and ethical manner at all times. The Board also ensures that appropriate steps are taken to communicate throughout the Company, the corporate values, 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 and submitted same to the Bank of Ghana for approval. The succession plan focuses on developing human resources to enable the Company to retain a pool of qualified candidates who are ready to compete for key positions and areas when they become vacant to ensure effective continuity of the Bank.

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

a. monitors and ensure the actions of Senior Management through reports from Management 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, monitors and reviews the system to ensure that it is aligned with the desired risk culture and risk appetite of the Company

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

Separation of powers
There is a clear division of responsibilities at the top hierarchy of the Company. The positions of the Board Chair and the Managing Director are separate. The two top positions of Board Chair and Managing Director in the company are not 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 is in the process of ensuring and achieving convergence on the positions of Independent Directors. The Board is in the process of on boarding one more Independent Non-Executive Director who will chair the Risk Committee. 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 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 the legal and regulatory environment in which the Company operates. Ghanaian nationals, ordinarily resident in Ghana, constitute at least 30% of the Board composition of the Company.

The Board of Directors are working assiduously to ensure that Independent Directors constitute at least 30% of the composition of the Board. The Company does not have members serving on its Board that are Related Persons.

Board size and structure

As at 31 December 2020 the Board members were 8 including the Chairperson, the majority of which were non-executive and ordinarily resident in Ghana. There is an appropriate balance of power and authority on the Board between the executive and non-executive directors and no individual or group 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 Chairman

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 ensure that dissenting views can be expressed and discussed within the decision-making process. The Chair encourages constructive relationship within the Board and between the Board and Management. She promotes checks and balances in the governance structure of the Bank. She generally does not serve as a Chairman of 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 Chairman in ensuring the smooth functioning of the Board. The Board Secretary advises the Board on matters relating to statutory duties of the directors under the law, disclosure obligations, and company law regulations as well as on matters of corporate governance requirements and effective Board processes. The Board Secretary ensures that directors are provided with complete, adequate and timely information prior to Board meetings.

Board meetings

The Company holds a minimum of four board meetings annually in February, April, July and December. It also has one Annual General Meeting. In 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%:

NO	NAME	19 FEB 2020	22 APR 2020	01 JUN 2020	16 JUL 2020	5 AUG 2020	2 DEC 2020	ATTENDANCE
1	Margaret Sekyere	yes	yes	yes	yes	yes	yes	100%
2	Hakim Ouzzani	yes	yes	yes	yes	yes	yes	100%
3	Georges Wega	yes	yes	yes	yes	yes	yes	100%
4	Agnes T. Giraldi	no	yes	yes	yes	yes	yes	83%
5	Arnaud De Gaudemaris	no	yes	yes	yes	yes	yes	83%
6	Laurette Otchere	no	yes	yes	yes	yes	yes	83%
7	Martine Hitti	no	yes	yes	yes	yes	yes	83%
8	Fosuhene Acheampong	n/a	n/a	n/a	yes	yes	yes	100%
9	Francis Awua-Kyerematen	n/a	n/a	n/a	n/a	n/a	n/a	n/a

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 review against the approved budget, business plan, peers and industry;
- the extent to which the bank is exposed to various risks such as credit, liquidity, interest rate, foreign exchange, operational and other risks;
- review of non-performing loans, related party transactions and credit concentration;
- activities of the Bank in the financial market and in its "nostro" accounts;
- effectiveness of internal control systems and human resource issues;
- outstanding litigations and contingent liabilities;
- compliance with Anti-Money Laundering/ Counter Financing of Terrorism (AML/CFT) policies, laws and regulations;
- list of related party exposures and their classification.

Other engagements of Directors

The Board is aware that to enable greater commitment to Board matters, no director should hold 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 Sekyere	Ghanaian	59	Independent	2019	• Accountant
Hakim Ouzzani	French	52	Executive	2016	• Banker • SSB Investments Ltd
Lauretta Korkor Otchere	Ghanaian	59	Non-executive	2017	• Deputy Director General SSNIT • Total Oil Co. Ltd • Barrister at Law • Human Resource Expert
Agnes Tauty Giraldi	French	55	Non-executive	2018	• Banker • SG Managing Director; Europe, Africa, Structured Trade Receivables Finance
Arnaud De Gaudemaris	French	45	Non-executive	2019	• Banker • Director SG Benin
Martine Hitti	French	64	Independent	2019	• Retired
Georges Wega	Cameroonian	51	Non-executive	2019	• Banker • Director SG Benin
Fosuhene Acheampong	Ghanaian	57	Non-Executive	2020	• Accountant • Director Cedar Seal Company
Francis Awua-Kyerematen	Ghanaian	52	Independent	2021	• Accountant-Winchmore Capital Ltd • Cenit Energy Limited • Council for Technical & Vocational Education and Training

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.

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

A statement on the external evaluation of the Board 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
An external Board evaluation was conducted on the Board of Societe Generale Ghana to review the competence of the collective Board and of individual members to ensure the Board has the right mix of skills, capabilities and experience to deliver the right outcomes, meet its responsibilities, explores strategies for improvement and decides on actions to be taken. The evaluation was done based on the quality of the Board and consists of:

- ensuring the board is consisted of individuals of sufficient calibre to run the institution.
- Strategy: ensuring that the board collectively defines the strategic direction and objectives for the firm and, that the strategic direction of the firm is effectively cascaded downwards.
- Board Structure and Composition: ensuring that the board is composed of the right calibre of people (requisite knowledge and experience) to ensure effective and independent oversight while minimizing conflict of interest.
- Board Operations: ensuring that the board performs its oversight with respect to finance, strategy, risk and policy formulation.
- Board Risk Management Activities: ensuring the board performs active monitoring and strengthening of internal audit, internal control, compliance and risk management functions.
- Relationship with Stakeholders: ensuring the board actively represents and engages with all stakeholders.
- Transparency and Disclosure: ensuring that the Board maintains transparency in dealing with its stakeholders and meeting its regulatory disclosure requirements.

The evaluation of SG Ghana's Board considered applicable regulatory requirements. The process comprised of review of relevant SG Ghana documents; online survey of 2018 and 2019 Board members; one-on-one interviews with cross-section of Board members; benchmarking of the Board's maturity against the External appraisers Board Maturity Framework.

The findings revealed that on Transparency and Disclosure the Board was advanced; The Board was considered to be established in relation to the quality of the Board, its strategy, Operations, Risk Management, and Relations with Stakeholders. The board was however developing in terms of its Structure and composition. An action plan was put in place to implement the recommendation of the external Board appraisal and the implementation rate is 82.75%. Implementation is ongoing to achieve 100% of the recommendations.

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, has 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. However, the Board Charter will have to be updated and published on the Banks website. The role and responsibilities of the Board as spelt out in the Code shall be described in a Board Charter. The Board appointments policy and remuneration policy shall also be in the Board Charter.

A majority of non-executive directors shall be independent. 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 Chairman 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.

Board sub-committees

The Board has in place an Audit & Accounts Committee, a Risk Committee, a Nomination & Compensation Committee, a Cyber and Information Security Committee and an Independent Directors Committee.

The Chief Risk Officer, the Acting Chief Compliance Officer and the Head of Internal Audit report directly to the Board via the Board sub committees and the Managing Director.

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 ongoing 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 and has no involvement in the audited activities and business line responsibilities of the Bank. The Head Internal Audit is competent to examine all areas in which the Bank operates and:

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

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

Group-wide and bank-wide risk management
Risks in the Bank are identified and monitored on an on-going group-wide and bank-wide basis. The sophistication of the risk management and internal control infrastructure - 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 make appropriate input into the group-wide risk management policies and assessments of local risks. Adequate stress-testing of the subsidiary portfolios is done based on both the economic and operating environment of the subsidiary and on potential stress of the parent bank or Financial Holding Company. The results of stress tests and other risk management reports shall be communicated to the Board and Senior Management.

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

Compensation system
Where share options are adopted as part of executive remuneration or compensation, it shall be tied to performance and subject to shareholders' approval at an annual general meeting. The Bank has disclosed in the details, the number of shares held by the top 20 Shareholders.

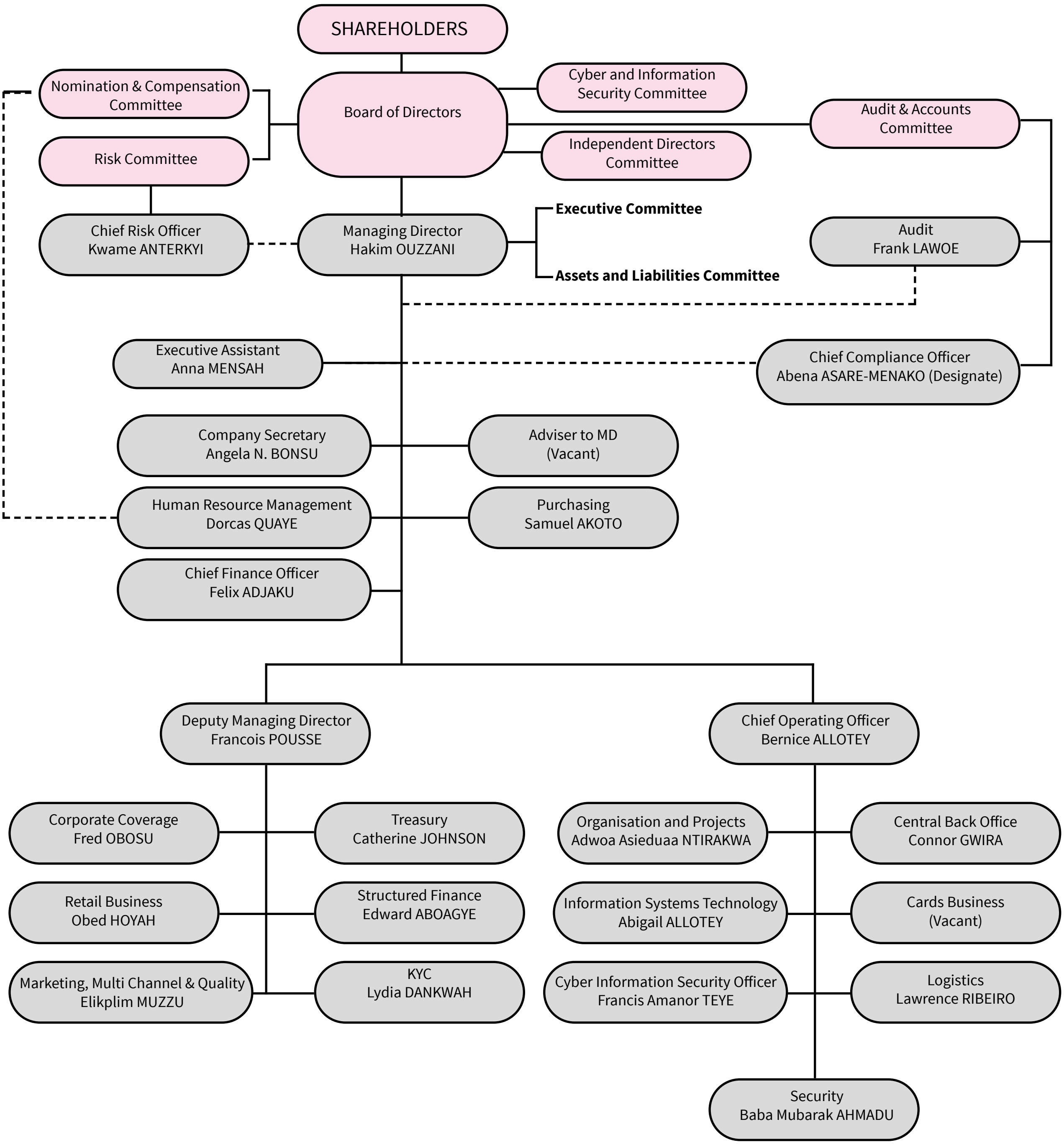
The Bank's corporate structure
The Board and Senior Management understand the structure and the organization of the group and the Bank. The Board actively oversees the design and operation of the compensation system. The Board monitors and reviews the compensation system to ensure that it is effectively 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 shall be limited to directors' fees and sitting allowances for Board and Committee meetings 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 Regulations of the Bank provides for ethics for the Board and provides that the Directors stand in a fiduciary relationship towards the Company in any transaction with it or on its behalf. A Director shall act at all times in what he or she believes to be in 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 an eight-member Board comprising one executive director; two Independent Directors and five 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. Section 78(3) of the Regulations of the Company provides that fees payable to Directors shall not be increased except pursuant to an ordinary resolution passed at a General Meeting, where notice of the proposed increase has been given in the Notice convening the meeting. Collectively, the Directors at the Board meeting preceding the Annual General Meeting agree their fees and this 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 provide that the Board of Directors may from time to time appoint one of their body to the office of Managing Director. The person shall be the Chief Executive, for such period and on such terms as may be determined and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment and such appointment shall be automatically determined if the holder of the office ceases 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 Statement, the Auditors Responsibility, Opinion and Report on other legal and regulatory requirements.

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

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

Auditors remuneration
In accordance with Section 140 of the Companies Act, 2019 (Act 992) Messrs.' Ernst & Young the Company's auditors have agreed to continue in office as the Bank's auditors. A Resolution to authorize the Directors to determine their remuneration for the year ended 31 December 2020 will be proposed at the Annual General Meeting.

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

Substantial shareholders
Details of the Bank's twenty largest shareholders are disclosed in note 43 to the financial statements.

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

1. Hakim Ouzzani
2. Margaret Boateng Sekyere
3. Georges Wega
4. Agnes Tauty Giraldi
5. Laurette Otchere
6. Fosuhene Acheampong

Mrs Margaret Boateng Sekyere will step down as a member of the Risk Committee once an Indpendent Non Executive Director is appointed to Chair 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.
- reviews the portfolio of credit and market risks to which the Bank is exposed.

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

  - the content of and changes to the portfolio per type of facility and debtor,
  - the regulatory ratios and key indicators,
  - changes to the quality of commitments: sensitive, irregular, non-performing files,
  - compliance with the conditional authorizations issued by the Societe Generale, etc.
  - adequacy of the level of provision for the risks incurred,
  - the efficiency of debt collection,
  - reports to the Board of Directors on its work.

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

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

1. Arnaud De Gaudemaris
2. Martine Hitti
3. Laurette Otchere
4. Fosuhene Acheampong

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

The audit and accounts committee:

- Keeps up-to-date with changes in the legal and regulatory environment affecting the work the committee monitors for proper execution.
- Reviews and validates the accounts of the bank and the work of the External Auditors
- periodically gives an opinion of the organisation and functioning of the Bank's periodic and permanent internal control. Suggests to the Board of Directors the relevant adaptations, monitors the implementation of these measures and reports on their application to the Board of Directors.
- validates, in consultation with the Groups relevant Departments the Audit Plan of the Bank while making sure that the development method enables the areas of risk to be properly detected and covered.
- follows up the implementation of the Audit Plan and proposes adjustments if necessary.
- reviews the work done by Periodic and Permanent Control:
- reports to the Board of Directors on any anomalies and gives its opinion of the relevance of the corrective measures chosen by the Bank's Management,
- Monitors the implementation, according to the deadlines set, of the critical periodic control recommendations as well as the solving of the critical points identified,
- informs the Board of Directors of any discrepancies in the critical and priority corrective measures (failures exposing the entity to a high risk)
- reviews the procedures and the functioning of the anti-money laundering and terrorism financing systems, and the compliance risk control.
- submits to the Board of Directors the measures likely to improve, where applicable, the security of operations, and monitors the implementation of the selected measures.
- is generally informed by Management of any event occurring in the operation of the Bank which is likely to adversely affect its control of risks.

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

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

1. Laurette Otchere
2. Hakim Ouzzani
3. Georges Wega
4. Margaret Boateng Sekyere

This Committee ensures the bank has a board of competent and effective composition and is adequately charged to carry out its responsibility in the best interest of the bank and its shareholders.

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

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

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

Cyber and information security committee
In line with its Corporate Governance principles and Bank of Ghana's Directive, the Board of Directors has a Cyber and Information Security Committee made up of the following directors:

1. Martine Hitti
2. Hakim Ouzzani
3. Fosuhene Acheampong

Independent directors committee
In line with its Corporate Governance principles, the Board of Directors has an Independent Directors Committee. The purpose of the Committee is to determine the remuneration of Executive Directors. The Committee is made up of the following Directors:-

1. Margaret Boateng Sekyere
2. Martine Hitti

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 2020. 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.

By order of the Board

....	....
Board Chair	Managing Director
(Margaret Boateng Sekyere)	(Hakim Ouzzani)
ACCRA	ACCRA
22 April, 2021	22 April, 2021

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 36, which is made with a view to distinguishing, for shareholders, the respective responsibilities of the Directors and the Auditors in relation to the financial statements

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

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Opinion
We have audited the financial statements of Societe Generale Ghana Plc (the Bank) set out on pages 40 to 98, which comprise the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2020, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialized Deposit -Taking Institutions Act, 2016 (Act 930).

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements of Societe Generale Ghana Plc in Ghana, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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Independent Auditor's Report cont'd

Key audit matter	How our audit addressed the key audit matter
Allowance for expected credit losses on loans and advances to customers	
IFRS 9 introduced a forward-looking Expected Credit Loss (ECL) model. The ECL model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECL's recognized as a loss allowance or provision depends on the extent of credit deterioration since the initial recognition and recognition of impairment could be done on a 12-month expected credit losses or Lifetime expected credit losses. Impairment computations under IFRS 9 therefore involves the use of models that takes into account: • The probability-weighted outcome. • Reasonable and supportable information that is available without undue cost or Loan loss provision is a key area of judgement for management. Significant judgements in the determination of the Bank's Expected Credit Loss includes: • Use of assumptions in determining ECL modelling parameters. • portfolio segmentation for ECL computation • Determination of a significant increase credit risk and • Determination of associations between macroeconomic scenarios. The use of different models and assumptions can significantly affect the level of allowance for expected credit losses on loans and advances to customers. Due to the significance of such loans which account for about 50.12% of total assets of the bank, and the significant use of judgements, the assessment of the allowance for expected credit losses is a key audit matter. The information on expected credit losses on loans and advances to customers is provided in Note20e ''Analysis of impairment allowances'' of the financial statements.	We have obtained an understanding of the Bank's implementation process of IFRS 9, including understanding of the changes to the Bank's IT systems, processes and controls. Additionally, we obtained an understanding of the credit risk modelling methodology. We validated and tested the ECL model of the Bank by assessing the data integrity and the internal controls around the model. We have also performed, among others, the following substantive audit procedures: • Reviewed the accounting policies and framework methodology developed by the Bank in order to assess its compliance with IFRS 9; • Verified sampled underlying contracts of financial assets to determine the appropriateness of management's classification and measurement of these instruments in the ECL model • Reviewed and tested the methodology developed to calculate loan loss provision under IFRS 9, concentrating on aspects such as factors for determining a 'significant increase in credit risk', staging of loans, testing specific models related to Probability of Default (PD), Loss Given Default (LGD), Exposure at Default (EAD) • Tested the accuracy and completeness of data used in modelling the risk parameter, Recalculating the ECL, • Reviewed forward looking information / multiple economic scenario elements • For stage 3 exposures, we tested the reasonableness of the assumptions underlying the impairment identification and quantification including forecasts of future cash flows, valuation of underlying collateral, estimated period of realisation for collaterals, etc. • We have also analysed information relating to the allowance for expected credit losses on loans and advances to customers disclosed in the notes to the financial statements of the Bank.

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Independent Auditor's Report cont'd

Other information
The Directors are responsible for the other information. The other information comprises corporate information (Directors, Officials and Registered Office), report of the Directors and statement of directors' responsibilities. Other information does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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Independent Auditor's Report cont'd

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

Report on other legal requirements

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

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

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

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

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

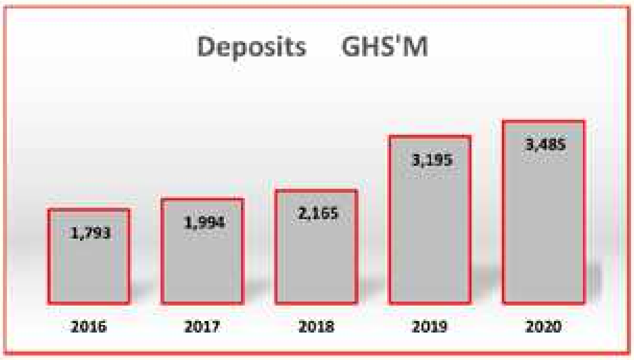
Ernst & Young

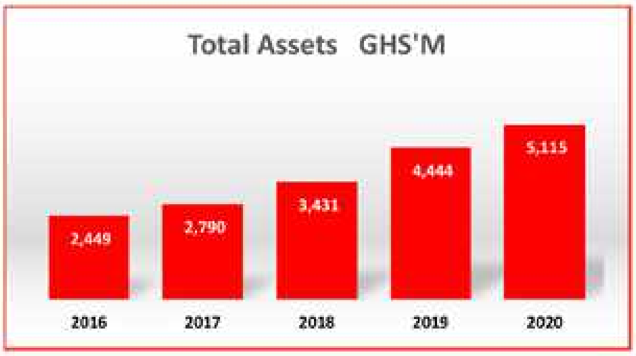
....

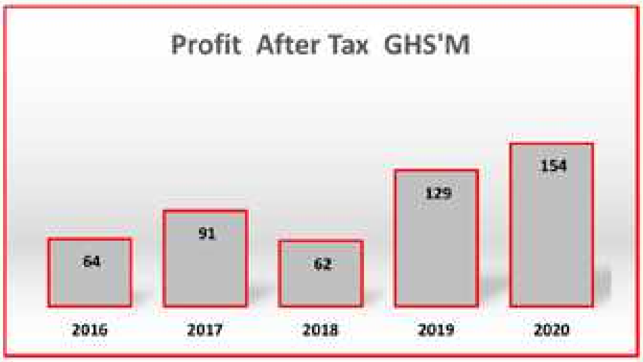
Ernst & Young (ICAG/F/2021/126)
Chartered Accountants
Accra, Ghana

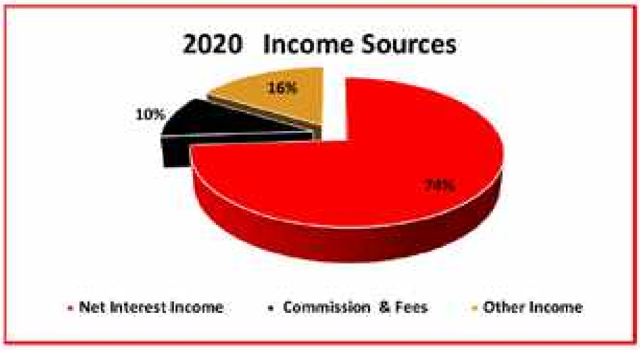
22 April, 2021

FINANCIAL HIGHLIGHTS









THE FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 GH¢	2019 GH¢
Interest income	5	519,463,379	454,048,757
Interest expense	6	(114,251,411)	(88,235,057)
Net interest income		**405,211,968**	**365,813,700**
Fees & commission income	7	77,148,106	74,304,756
Fees & commission expense	8	(22,847,209)	(23,154,024)
Net fees and commission income		**54,300,897**	**51,150,732**
Net trading revenue	9	41,660,244	34,516,774
Net income from other financial instruments carried at fair value	10	52,417,416	39,746,459
Other operating expense /income	11	(4,644,872)	17,828,591
Total other operating income		**89,432,788**	**92,091,824**
Operating income		**548,945,653**	**509,056,256**
Net impairment loss on financial assets	12	(33,349,574)	(54,922,666)
Personnel expense	13	(128,691,845)	(123,237,364)
Depreciation and amortization	22a	(33,588,164)	(33,180,681)
Other operating expenses	14	(131,686,035)	(121,024,195)
Profit before income tax		**221,630,035**	**176,691,350**
Income tax expenses	15	(67,421,120)	(48,149,164)
Profit after tax expense		**154,208,915**	**128,542,186**
Other comprehensive income			
Fair value on available for sale financial instrument		1,781,205	-
Less tax		(445,301)	-
Other comprehensive income, net of income tax		1,335,904	-
Total comprehensive income for the period		**155,544,819**	**128,542,186**
Earnings per share:			
Basic earnings per share (GH¢)	16	**0.217**	0.181
Diluted earnings per share (GH¢)	16	**0.217**	0.181

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 GH¢	2019 GH¢
Assets			
Cash and cash equivalents	17	1,561,983,616	1,295,640,731
Non-pledged trading assets	18	67,896,476	57,523,936
Debt instruments at fair value through other comprehensive income	21	108,961,776	-
Debt instruments at amortised cost	21	427,587,822	83,104,992
Loans and advances to customers	20	2,562,706,675	2,643,394,001
Equity investments	19	12,236,465	8,862,900
Other assets	25	66,511,519	62,514,235
Property, plant and equipment	22	290,748,100	290,868,619
Intangible assets	23	1,264,470	1,728,565
Deferred tax assets	15b	15,309,433	271,230
Total assets		**5,115,206,352**	**4,443,909,209**
Liabilities			
Deposits from banks	27	3,945,938	25,675,390
Deposits from customers	27	3,481,343,321	3,169,705,971
Borrowings	26	366,266,787	177,695,977
Current tax liabilities	24	25,752,524	35,751,330
Other liabilities	28	312,302,893	233,119,110
Total liabilities		**4,189,611,463**	**3,641,947,778**
Shareholders' fund			
Stated capital	29	404,245,427	404,245,427
Income surplus	39c	149,907,074	66,161,749
Revaluation reserve	39d	123,670,260	123,670,260
Statutory reserve	39e	246,436,224	207,883,995
Other reserves	39h	1,335,904	-
Total shareholders' fund		**925,594,889**	**801,961,431**
Total liabilities and shareholders' fund		**5,115,206,352**	**4,443,909,209**

The accompanying notes form an integral part of these financial statements.
Approved by the Board on 24 March 2021 and signed on its behalf as follows:

Margaret Boateng Sekyere (Chairperson)
22 April, 2021

Hakim Ouzzani (Managing Director)
22 April, 2021

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Stated Capital GH¢	Income surplus GH¢	Revaluation Reserve GH¢	Statutory reserve GH¢	Other reserves GH¢	Total shareholders' equity GH¢
For the year ended 31 December 2020						
Balance as at 1 January 2020	404,245,427	66,161,749	123,670,260	207,883,995	-	801,961,431
Movements during the year:						
Profit for the period	-	154,208,915	-	-	-	154,208,915
Other movements in equity	-	-	-	-	1,335,904	1,335,904
Dividend	-	(31,911,361)	-	-	-	(31,911,361)
Transfer to statutory reserve	-	(38,552,229)	-	38,552,229	-	-
Balance as at 31 December 2020	**404,245,427**	**149,907,074**	**123,670,260**	**246,436,224**	**1,335,904**	**925,594,889**

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	**2020 GH¢**	2019 GH¢
Cash flow from operating activities			
Operating profit before taxation		221,630,035	176,691,350
Adjustments for:			
Impairment provision	20	(37,969,111)	698,214
Fair value adjustment on equity investment	19	1,038,501	(109,751)
Fair value adjustment on available for sale instrument	39h	1,781,205	-
Fair value adjustment on non pledged trading assets	18a	797,756	(213,919)
Depreciation and amortization	22	33,588,164	33,180,681
Unrealized gain/loss on forex and revaluations		5,918,445	(15,797,088)
Profit on sales of property, plant and equipment	11	-	(623,961)
Operating profit before working capital changes		**226,784,995**	**193,825,526**
Changes in operating and other assets and liabilities			
Change in non-pledged trading assets	18	(11,170,296)	18,408,477
Change in loans and advances to customers	20	118,656,437	(978,808,015)
Change in other assets	25	(3,997,284)	(7,066,831)
Change in derivative financial assets		-	5,380,060
Change in deposit from banks	27	(21,729,452)	22,008,019
Change in deposit from customers	27	311,637,350	1,008,323,373
Change in other liabilities	28	79,183,783	53,059,612
		472,580,538	121,304,695
Income tax paid	24a & 24b	**(92,903,430)**	(45,634,918)
Net cash generated from operating activities		**606,462,103**	**269,495,303**
Cash flow from investing activities			
Change in investment securities	21	(453,444,606)	608,312,282
Equity investments	19	(4,412,066)	(5,946,107)
Purchase of property, plant and equipment	22b	(32,605,733)	(33,670,292)
Purchase of intangible assets	23	(397,817)	(662,615)
Proceeds from sale of property, plant and equipment		-	762,100
Net cash (used in)/generated from investing activities		**(490,860,222)**	**568,795,368**
Cash flow from financing activities			
Proceeds from borrowings	26	202,544,707	-
Repayment of borrowings	26	(13,973,897)	(171,917,428)
Dividend paid	30	(31,911,361)	(28,365,655)
Net cash (used in)/generated from financing activities		**156,659,449**	**(200,283,083)**
Change in cash and cash equivalents		272,261,330	638,007,588
Net foreign exchange difference		(5,918,445)	15,797,088
Cash & cash equivalents as at 1 january		1,295,640,731	641,836,055
Cash and cash equivalents as at 31 december 2020	17	**1,561,983,616**	1,295,640,731
Operational cash flows from interest:			
Interest received		**516,115,683**	437,858,960
Interest paid		**111,882,687**	85,814,071
Dividend received		**133,640**	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Reporting entity

Societe Generale Ghana PLC (the Bank) is a limited liability company incorporated in Ghana under the Companies Code, 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 2020 were authorized for issue in accordance with a resolution of the board of directors on 24 March 2021

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 36.

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 flow as part of the reconciliation of cash and cash equivalents at the beginning and end of the period. This amount is presented separately from cash flows from operating, investing and financing activities and includes the differences, if any, had those cash flows been reported at end of period exchange rates.

2.7 Segmental reporting

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

IFRS 8 requires entities whose shares or debts are traded publicly to produce 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 38.

2.8 Property, plant and equipment - continued

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.

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 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 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.

The new standard IFRS 16 Accounting for leases, which became effective on 1 January 2019, has been adopted by the bank. This standard replaces IAS 17, which was governing both operating and finance lease. IFRS 16 defines lease as a contact that conveys the right to use an asset (underlying asset) for a period in exchange for a consideration. Under the new standard, Lessees are no longer required to distinguish between finance and operating leases. Instead, they are to recognize a right of use asset and a corresponding lease liability at the inception of the lease and subsequently depreciate the asset over the lease term.

2.9 Intangible assets: computer software

Costs incurred to acquire and bring to use specific computer software licenses are capitalized. Following initial recognition, intangible assets are carried at cost less accumulated amortization and any impairment losses. The amortization period and method for an intangible asset, in this case computer software, are reviewed at least at each reporting date. Changes in the expected useful life 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 contributions 10% towards the voluntary tier three plan.

2.12 Revenue

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

a. Interest income

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

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

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 bad debts recovered, 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.

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

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

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

b. Deferred income tax
Deferred tax liabilities are recognized for all taxable temporary differences, except:

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

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

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

c. Value added Tax -VAT

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

- Where the value added tax incurred on a purchase of goods and services is not recoverable from the taxation authority, the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and receivables and payables are stated with the amount of value added tax included.
- The net amount of value added tax recoverable from, or payable to, the Ghana Revenue Authority is included as part of receivables or payables in the statement of financial position.

2.15 National stabilization levy

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

2.16 Classification & measurement of financial assets and liabilities

2.16.1 Recognition and initial measurement

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

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

Financial assets include both debt and equity instruments.

2.16.2 Debt instruments

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

- Amortized cost;
- Fair value through other comprehensive income (FVOCI); or

Classification of debt instruments is determined based on:

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

ii. the contractual cash flow characteristics of the instrument

2.16.3 Business model assessment

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

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

2.16.4 Cash flow characteristics assessment

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

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

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.

2.16.5 Debt instruments measured at amortized cost

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

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

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

2.16.6 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.

2.16.7 Equity instruments

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

The Bank can elect to classify non-trading equity instruments at FVOCI. This election will be used for certain equity investments for strategic or longer term investment purposes. The FVOCI election is made upon initial recognition, on an instrument-by-instrument basis and once made is irrevocable. Gains and losses on these instruments including when derecognized/ sold are recorded in OCI and are not subsequently reclassified to the profit or loss. Dividends received are recorded in 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.

2.16.8 Financial liabilities

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

2.16.9 Impairment

a. Scope

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

- Amortized cost financial assets;
- 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. 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.

c. Measurement of expected credit loss

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

Details of these statistical parameters/inputs are as follows:

- PD – The probability of default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the remaining estimated life, if the facility has not been previously derecognized and is still in the portfolio.
- EAD – The exposure at default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
- LGD – The loss given default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD.

d. Forward-looking information

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

e. Macroeconomic factors

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

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

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

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

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

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

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

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

g. Expected life

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

Presentation of allowance for credit losses in the Statement of Financial Position

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

h. Modified financial assets

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

i. Definition of default

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

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

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

j. Write-off policy

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

k. Restructured credit

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

Where they still pass the SPPI test, restructured loans are still recorded in the 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.

l. 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

2.17 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 reserves in the statement of changes in equity, being the Regulatory Credit Reserve.

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

2.18 Dividend

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

2.19 Cash and cash equivalents

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

2.20 Borrowing

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

2.21 Repurchase and reverse repurchase agreements

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

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

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.

2.22 Financial guarantees, letters of credit and undrawn loan commitments

Financial guarantees are initially recognised in the financial statements (within Provisions) at fair value, being the premium received. Subsequent to initial recognition, the Bank's liability under each guarantee is measured at the higher of the amount initially

recognised less cumulative amortisation recognised in the 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.

2.23 Other Assets

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

3.0 Significant Accounting Estimates, Assumptions & Judgments

The preparation of financial statements, in conformity with IFRS, requires management to make estimates, apply judgments and make assumptions that affect the reported amount of assets and liabilities at the date of the financial statements, and income and expenses during the reporting period. Estimates made by management are based on historical experience and other assumptions that are believed to be reasonable. Key areas where management has made difficult, complex or subjective judgments, often as a result of matters that are inherently uncertain, include those relating to the allowance for impairement(Note 2.16.9) and the fair value of financial instruments (note 35). While management makes its best estimates and assumptions, actual results could differ from these estimates and assumptions.

3.1 Significant developments: COVID-19

On March 11, 2020, the World Health Organization declared the outbreak of a strain of novel coronavirus disease, COVID-19, a global pandemic with Ghana experiencing its first cases on 12 March 2020. The impact of COVID-19 on the global economy and financial markets has continued to evolve with disruptive effects on most economies, which has contributed to increased market volatility and changes to the macroeconomic environment.

In order to contain the spread of the pandemic, countries embarked on massive lockdowns, business closures, social distancing protocols, travel restrictions among others. The effects of the pandemic, the containment measures and the phased reopening approach in several regions could have longer-term effects on economic and commercial activity, consumer behavior after the pandemic recedes, and containment measures are fully lifted. In conjunction with the COVID-19 pandemic containment measures, governments, regulatory bodies, central banks and private organizations around the globe have continued to provide unprecedented relief programs and temporary measures to facilitate the continued operation of the global economy and financial system, which are intended to provide support to individuals and businesses.

As part of the policy response to minimize the risks associated with the COVID 19 pandemic, the Bank of Ghana put in place the following policies in order to create the an enabling environment for the financial sector to support individuals and businesses in these times.

- Lowering of the Monetary Policy Rate (MPR) by 150 basis points to 14.5 percent from 16%, which it expected to transmit to lower bank lending rates and help ameliorate the challenges in securing credit at reasonable rates during this difficult socio-economic environment.
- Reduction in Primary Reserve Requirements from 10 percent to 8 percent in order to create additional liquidity for the banks for on lending to critical sectors of the economy to moderate the expected slowdown in growth
- Reduction in prudential limit of Capital Adequacy Ratio from 13.0 percent to 11.5 percent to support the extension of additional credit by banks.
- Reduction in provisions for loans in the OLEM category from 10 percent to 5 percent to address the impact of difficulties in loan repayments due to the slowdown in economic activities, which may cause repayment challenges.

In response to this, Societe General Ghana Plc reduced its rates in line with the reduction in the MPR rate for new loans for both retail and corporate loans. The bank is also helping its clients by implementing various relief measures, including payment deferrals, refinancing or credit restructuring, fee waivers and temporary limit increases across our loans portfolio. As at 31 December 2020, 680 clients had benefitted from the payment deferral program, which allowed the clients to defer payment on their facilities for a stipulated time.

In addition, COVID-19 has continued to affect the bank's employees, some clients and communities, with resultant impacts on the bank's operations, financial results, present and future risks to the business. To date, Societe General Ghana Plc has taken proactive measures through its business continuity plans, carefully planning the return to premise for some employees. The bank's crisis management teams have increased its efforts to preserve the well-being of employees and its ability to serve clients. There were no staff layoffs or redundancy resulting from the direct impact of the COVID.

3.2 Going concern

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

During the year under review COVID-19 a world wide pandemic which erupted late 2019 has evolved rapidly. However for SG Ghana, COVID-19 is not expected to have a significant impact on the entity. The Bank's management is not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern. Consequently, the financial statements continue to be prepared on the going concern basis.

3.3 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 15b.

4. Application of new and revised International Financial Reporting Standards (IFRSs)

4.1 Standards and interpretations effective in the current period

The following standards, amendments to the existing standards and interpretations issued by the International Accounting Standards Board were in issue:

The standards and interpretatoions that were issued but not yet effective for the financial year under review are disclosed below.

4.2 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 9 financial instruments – fees in the '10 per cent' test for derecognition of financial liabilities

As part of its 2018-2020 Annual Improvements to IFRS standards process, the IASB issued an amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Bank will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual period in which it will first apply the amendment and does not expect this will result in a material impact on its financial statements.

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 Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

Onerous contracts – costs of fulfilling a contract – amendments to IAS 37

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022. The Group will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

5. Interest income

	2020 GH¢	2019 GH¢
Placements	19,243,543	7,802,551
Investments securities	45,302,861	28,290,757
Loans & advances	454,916,975	417,955,449
	519,463,379	**454,048,757**

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

6. Interest and similar expense

Savings accounts	35,322,870	29,675,137
Current accounts	774,428	417,706
Term deposits	64,649,461	43,534,150
Borrowings	13,504,652	14,608,064
	114,251,411	**88,235,057**

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

7. Fees and commission income

	2020 GH¢	2019 GH¢
Domestic operations	66,764,395	62,094,986
Remittance	-	457,612
Cards operations	10,383,711	11,752,158
	77,148,106	**74,304,756**

Fees and commission income was earned at a point in time

8. Fees and commission expense

	2020 GH¢	2019 GH¢
Remittance	-	1,903,711
Cards operations	20,908,369	19,441,674
Cheque books	245,062	254,391
Cash collection	1,693,778	1,554,248
	22,847,209	**23,154,024**

Fees and commission expenses were incurred at a point in time

9. Net trading revenue

Forex trading gains	148,253,870	181,113,417
Forex trading losses	(106,593,626)	(146,596,643)
	41,660,244	**34,516,774**

Notes to the Financial Statements cont'd

10. Net income from other financial instruments carried at fair value	2020 GH¢	2019 GH¢
Gain from swap	37,772,649	25,544,696
Margin on bond trading	14,948,032	13,466,527
Fair value on equity instruments (note 19a)	(303,265)	735,236
	52,417,416	**39,746,459**

11. Other operating expense/income		
Profit on sale of plant, property and equipment	-	623,961
Exchange (loss)/gain	(5,086,460)	15,797,088
Rent/hiring fees	76,708	60,426
Postages	61,402	122,126
Dividend from associate	133,640	-
Miscellaneous & others	169,838	1,224,990
	(4,644,872)	**17,828,591**

12. Net impairment loss on financial assets		
Specific impairment	57,825,973	35,410,687
Portfolio impairment	(5,806,425)	26,566,772
Total impairment (note 12a)	52,019,548	61,977,459
Recoveries	(18,669,974)	(7,054,793)
Net impairment	**33,349,574**	**54,922,666**

12a. Total impairment		
Cash and cash equivalents (note 17c)	113,319	11,845
Investment securites	503,932	-
Loans & advances (note 20f)	51,884,527	63,615,125
Lcs & guarantees (off balance sheet liabilities) (note 32b)	(482,230)	(1,649,511)
	52,019,548	**61,977,459**

13. Personnel expenses		
Salaries, bonuses and staff allowances	100,671,892	98,413,512
Social security fund contribution	6,553,859	6,087,391
Provident fund contribution	5,031,328	4,654,799
Medicals	4,440,712	4,487,858
Insurance	793,309	565,616
Termination expenses	4,608,554	-
Training	262,664	592,785
Other employee costs	3,135,173	5,038,858
Directors emoluments (13a)	3,194,354	3,396,545
	128,691,845	**123,237,364**

The average number of persons employed by the Bank during the year was 562 (2019: 575).

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

	2020 GH¢	2019 GH¢
Directors salaries and allowances	2,391,327	2,086,712
Directors expenses	187,365	894,767
Directors fees	615,662	415,066
	3,194,354	**3,396,545**

14. Other operating expenses

	2020 GH¢	2019 GH¢
Donations	1,281,617	853,845
Advertising and marketing	2,091,360	7,376,512
Office expenses (note 14a)	42,650,604	42,155,303
Administrative expenses	7,179,894	8,628,781
General expenses (note 14b)	78,482,560	62,009,754
	131,686,035	**121,024,195**

14a. Office expenses

	2020 GH¢	2019 GH¢
Utilities	6,176,802	6,091,564
Maintenance of computer softwate & hardware	13,230,373	14,520,249
Network & communication	6,887,939	7,134,212
Office & computer stationery	2,242,205	2,242,941
Repairs to furniture & equipment	1,788,374	1,697,897
Resource hiring	4,972,948	4,566,417
Other office expenses	7,351,963	5,902,023
	42,650,604	**42,155,303**

14b. General expenses

	2020 GH¢	2019 GH¢
Professional fees and charges	4,868,460	4,057,213
Repairs and rental of equipment	1,786,031	1,422,365
It and support services	43,674,912	49,513,442
Other general expenses	28,153,157	7,016,734
	78,482,560	**62,009,754**

Notes to the Financial Statements cont'd

14c. Auditors' remuneration

	2020 GH¢	2019 GH¢
Statutory audit	**555,040**	**507,950**

Auditors' remuneration in relation to statutory audit amounted to GH¢ 555,040 (2019 : GH¢ 507,950) excluding tax.

15. Income tax expense

	2020 GH¢	2019 GH¢
Current tax (24a)	(71,823,122)	(74,434,446)
Deferred tax (15b)	15,483,504	35,119,850
National stabilization levy (15c)	(11,081,502)	(8,834,568)
Charge to statement of profit or loss and other comprehensive income	**(67,421,120)**	**(48,149,164)**

15a. Current & deferred tax

	2020 GH¢	2019 GH¢
Analysis of charge for the year		
Current tax (24a)	(71,823,122)	(74,434,446)
Deferred tax (15b)	15,483,504	35,119,850
	(56,339,618)	**(39,314,596)**

The current tax charge on the profit is based on Ghana's corporate tax rate of 25% (2019:25%).

15b. Deferred tax

	2020 GH¢	2019 GH¢
Balance as at 1 january	271,230	(34,848,620)
Tax expense recognised in profit or loss during the year	15,483,504	35,119,850
Tax recognised in equity during the year	(445,301)	-
Balance as at 31 December	**15,309,433**	**271,230**

Deferred tax assets and liabilities are attributable to the following:

	2020			2019		
	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)
Provisions and contingencies	56,978,154	-	56,978,154	41,494,650	-	41,494,650
Available for sale instrument	-	(445,301)	(445,301)	-	-	-
Net tax liabilities/(assets)	56,978,154	(41,668,721)	15,309,433	41,494,650	(41,223,420)	271,230

15c. National stabilization levy

	2020 GH¢	2019 GH¢
Analysis of charge for the Year		
Charge to statement of profit or loss and other comprehensive income	(11,081,502)	(8,834,568)

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.

15d. Factors affecting the current Tax charged for the year

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

	2020 GH¢	2019 GH¢
Pretax profit for the year	221,630,035	176,691,350
Tax charge thereon at Ghana corporate tax rate of 25%	55,407,509	44,172,838
Factors affecting Charge:		
Non deductible expenses	25,676,460	30,541,281
Income exempted	(24,744,351)	(35,399,523)
National Stabilisation Levy	11,081,502	8,834,568
Tax on corporate profit (Note 15)	67,421,120	48,149,164
Effective Corporate Income tax rate	30.4%	27.3%

The tax charge on profit for the year is based on Ghana's corporate tax rate of 25% . A National Stabilisation Levy of 5% is also charged (2019 : Corporate tax 25%, National Stabilisation Levey 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:

	2020	2019
Profit attributable to shareholders of the Bank (GH¢)	154,208,915	128,542,186
Number of Shares		
Weighted Average number of oustanding ordinary shares	709,141,367	709,141,367
Basic Earning per Share (GH¢)	0.217	0.181
Diluted Earnings per Share (GH¢)	0.217	0.181

Diluted Earnings per Share

The Bank has no category of dilutive potential ordinary shares.

17. Cash and cash equivalents

	2020 GH¢	2019 GH¢
Cash on hand and cash balances with bank of ghana (note 17a)	640,873,048	556,765,384
Due from banks and other institutions (note 17b)	921,536,236	739,187,696
Gross cash and cash equivalent	1,562,409,284	1,295,953,080
Less impairment	(425,668)	(312,349)
	1,561,983,616	**1,295,640,731**

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

	2020 GH¢	2019 GH¢
Cash on hand	94,416,351	72,521,797
Balance with Bank of Ghana	546,456,697	484,243,587
	640,873,048	**556,765,384**

17b. Due from banks and other institutions

	2020 GH¢	2019 GH¢
Nostro account balances	902,686,159	723,091,266
Items in course of collection	18,850,077	16,096,430
	921,536,236	**739,187,696**

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.

2020 (GH¢)	Stage 1	Stage 2 Individual	Stage 3 Individual	Total Individual
Cash and cash equivalents	1,562,409,284	-	-	1,562,409,284
Total	**1,562,409,284**	**-**	**-**	**1,562,409,284**

2020 (GH¢)	Stage 1 Individual	Stage 2 Individual	Stage 3 Individual	Total
Gross carrying amount as at 1 january 2020	1,295,953,080	-	-	1,295,953,080
New assets originated or purchased	1,562,409,284	-	-	1,562,409,284
Assets derecognised or repaid (excluding write offs)	(1,295,953,080)	-	-	(1,295,953,080)
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Amounts written off	-	-	-	-
Total	**1,562,409,284**	**-**	**-**	**1,562,409,284**

Notes to the Financial Statements cont'd

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

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

		2020 GH¢	2019 GH¢
17c.	**Impairment allowance for cash and cash equivalents**		
	Opening balance	312,349	300,504
	Charge for the year	113,319	11,845
	Closing stock of provision	425,668	312,349

2020	Stage 1 Individual	Stage 2 Individual	Stage 3 Individual	Total
ECL allowance as at 1 January 2020	312,349	-	-	312,349
New assets originated or purchased	425,668	-	-	425,668
Assets derecognised or repaid (excluding write offs)	(312,349)	-	-	(312,349)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
Total	**425,668**	**-**	**-**	**425,668**

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

18. Non-pledged trading assets

	2020 GH¢	2019 GH¢
Government bonds	51,322,316	11,492,432
Treasury bills	16,574,160	46,031,504
	67,896,476	**57,523,936**

18a. Non pledged trading assets

	2020 FV Through P&L GH¢	2019 FV Through P&L GH¢
Balance as at 1 January	57,523,936	75,718,494
Additions	68,612,759	57,442,463
Disposals	(57,523,936)	(75,718,494)
Fair value	(716,283)	81,473
Balance as at 31 December	**67,896,476**	**57,523,936**

None of the financial instruments was pledged as collateral during the year (2019: Nil).

19. Equity investments

	2020 GH¢	2019 GH¢
Advans Ghana (Note 19a)	2,951,115	3,254,380
YUP Ghana	9,285,350	5,608,520
Total	**12,236,465**	**8,862,900**

	2020 GH¢	2019 GH¢
19a. Advans Ghana		
Balance as at 1 January	3,254,380	2,519,144
Fair value	(303,265)	735,236
	2,951,115	**3,254,380**

Advans Ghana is a Savings and Loans company which specializes in the collection of deposits and giving of credits. Societe Generale Ghana has a 10% stake in the ownership of the company. It is an unlisted equity investment which is carried at fair value through profit or loss. During the year, the company's operations was negatively affected by the impact of Covid 19 which resulted in a reduction in its net assets. As a result SG Ghana's investment in Advans Ghana has been fair valued downwards to reflect this development.

YUP Ghana Limited has been incorporated as a private company limited by shares. The Company was registered with 500,000,000 shares of no par value with Societe Generale Group having a 75% interest and Societe Generale Ghana having a 25% interest. The nature of business the company is authorized to carry on are the distribution of electronic money. YUP Ghana Limited is fully registered with the Ghana Investment Promotion Centre to enable operations to commence.

During the year under review,

- In order to comply with the Payment Systems and Services Act, 2019 (Act 987) which requires a minimum of 30% equity participation of a Ghanaian Company, SG Ghana increased its interest in YUP Ghana to 35.6% with SG Group interest reducing to 64.4% (Refer to note note 19)
- YUP Ghana received the license to commence full operations from the Central Bank of Ghana.

YUP Ghana and Advans Ghana will be held under our investment company SSBI

		2020 GH¢	2019 GH¢
20.	**Loans and advances**		
	Overdrafts	534,694,886	708,224,806
	Term loans	2,114,641,416	2,052,842,656
	Export financing	413,136	367,386
	Staff loan	68,657,097	57,972,086
	Equipment finance lease	107,362,816	125,018,854
	Gross loans and advances (note 20d)	2,825,769,351	2,944,425,788
	Amortised cost adjustment	(28,334,030)	(26,879,968)
	Interest in suspense	(24,898,406)	(20,161,132)
	Less: allowances for impairment (note 20e)	(209,830,240)	(253,990,687)
		2,562,706,675	**2,643,394,001**

	2020 GH¢	2019 GH¢
Loans and advances		
Current	2,596,040,746	2,647,558,111
Olem	39,977,578	36,803,538
Gross performing loans	2,636,018,324	2,684,361,649
Substandard	26,654,272	31,861,675
Doubtful	35,124,623	73,804,284
Loss	127,972,132	154,398,180
Gross non performing loans	189,751,027	260,064,139
Total gross loans	**2,825,769,351**	**2,944,425,788**

			2020	2019
20a.	**Other statistics**			
	i.	Loan loss provision ratio	7.43%	8.63%
	ii.	Gross non-performing loan ratio	6.70%	8.83%
	iii.	50 Largest exposure (gross funded loan and advances to total exposure)	65.50%	63.30%
	iv.	Liquidity ratio	88.27%	67.56%
	v.	Leverage ratio	9.91%	9.30%
	vi.	Off-balance sheet exposures (GH¢ m)	665.07	766.49

		2020 GH¢	2019 GH¢
20b.	**Analysis by type of customers**		
	Individual	833,960,192	813,750,609
	Private enterprise	1,486,476,662	1,741,229,727
	Public enterprise	219,946,201	118,587,482
	Government departments and agencies	219,528,425	212,885,884
	Staff	65,857,871	57,972,086
		2,825,769,351	**2,944,425,788**

		2020 GH¢	2019 GH¢
20c.	**Analysis by industry sector**		
	Agriculture, forestry and fishing	340,659,130	479,087,488
	Mining and quarrying	52,316,025	163,524,095
	Manufacturing	267,007,161	395,559,193
	Construction	8,762,270	50,257,690
	Electricity, gas and water	148,531,412	190,068,664
	Commerce and finance	232,869,730	144,870,077
	Transport, storage, communication and services	1,681,204,549	1,440,571,022
	Miscellaneous	94,419,074	80,487,559
		2,825,769,351	**2,944,425,788**

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.

2020	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Corporate lending	1,772,289,664	21,162,854	95,749,138	1,889,201,656
Retail lending	810,431,147	26,798,374	99,338,174	936,567,695
Gross loan balance	**2,582,720,811**	**47,961,228**	**195,087,312**	**2,825,769,351**

2019	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Corporate lending	1,844,755,709	19,681,318	187,753,968	2,052,190,995
Retail lending	793,870,927	22,479,741	75,884,124	892,234,793
Gross loan balance	**2,638,626,636**	**42,161,060**	**263,638,092**	**2,944,425,788**

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

2020	Stage 1 Individual	Stage 2 Individual	Stage 3 Specific	Total
Gross carrying amount as at 1 January 2019	1,844,755,709	19,681,318	187,753,968	2,052,190,995
New assets originated or purchased	717,863,282	7,410,523	39,859,443	765,133,248
Assets derecognised or repaid (excluding write offs)	(769,497,290)	(8,166,564)	(62,636,601)	(840,300,455)
Transfers to stage 1	(1,362,818)	1,362,818		-
Transfers to stage 2	(8,097,578)	8,097,578	-	-
Transfers to stage 3	(11,206,974)	(7,220,058)	18,427,032	-
Amounts written off	(164,667)	(2,761)	(87,654,704)	(87,822,132)
Total	**1,772,289,664**	**21,162,854**	**95,749,138**	**1,889,201,656**

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

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

2020	Stage 1 Individual	Stage 2 Individual	Stage 3 Specific	Total
Gross carrying amount as at 1 January 2019	793,870,926	22,479,741	75,884,126	892,234,793
New assets originated or purchased	368,034,220	5,653,156	15,732,333	389,419,709
Assets derecognised or repaid (excluding write offs)	(318,826,936)	(8,585,486)	(9,490,791)	(336,903,213)
Transfers to stage 1	6,220,797	(5,323,516)	(897,281)	-
Transfers to stage 2	(19,411,236)	19,411,236		-
Transfers to stage 3	(19,455,240)	(6,836,102)	26,291,342	-
Amounts written off	(1,384)	(655)	(8,181,555)	(8,183,594)
Total	**810,431,147**	**26,798,374**	**99,338,174**	**936,567,695**

2019	Stage 1 Individual	Stage 2 Individual	Stage 3 Specific	Total
Gross carrying amount as at 1 January 2019	688,461,129	20,858,456	54,253,505	763,573,090
New assets originated or purchased	404,341,017	9,980,164	8,777,533	423,098,715
Assets derecognised or repaid (excluding write offs)	(272,913,768)	(6,434,356)	(6,867,673)	(286,215,796)
Transfers to stage 1	5,834,567	(4,336,713)	(1,497,854)	-
Transfers to stage 2	(11,856,744)	11,856,744	-	-
Transfers to stage 3	(19,972,800)	(7,612,559)	27,585,359	-
Amounts written off	(22,475)	(1,831,995)	(6,366,746)	(8,221,216)
Total	**793,870,927**	**22,479,741**	**75,884,124**	**892,234,793**

20e. Analysis of impairment allowances

2020	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Corporate lending	46,324,999	3,886,871	77,989,000	128,200,870
Retail lending	9,079,967	6,629,403	65,920,000	81,629,370
Gross loan balance	**55,404,966**	**10,516,274**	**143,909,000**	**209,830,240**

2019	Stage 1 Collective	Stage 2 Collective	Stage 3 Specific	Total
Corporate lending	58,137,922	1,075,166	131,541,839	190,754,927
Retail lending	10,471,883	2,635,519	50,128,358	63,235,759
Gross loan balance	**68,609,805**	**3,710,684**	**181,670,197**	**253,990,687**

20f. Analysis of impairment allowances

	2020 GH¢	2019 GH¢
At 1 January	253,990,687	248,768,249
Loans written off during the year	(90,427,001)	(55,688,000)
	163,563,686	193,080,249
Increase in provision	46,266,554	60,910,438
At 31 December	209,830,240	253,990,687

Impairment allowance for loans and advances to corporate customers

2020	Stage 1 Individual	Stage 2 Individual	Stage 3 Specific	Total
Gross carrying amount as at 1 January 2019	58,137,922	1,075,166	131,541,839	190,754,927
New assets originated or purchased	18,648,333	4,216,353	36,586,000	59,450,686
Assets derecognised or repaid (excluding write offs)	(29,575,483)	(1,130,862)	(3,414,391)	(34,120,736)
Transfers to stage 1	(224,868)	224,868	-	-
Transfers to stage 2	(242,927)	242,927	-	-
Transfers to stage 3	(417,978)	(741,581)	1,159,559	-
Amounts written off	-	-	(87,884,007)	(87,884,007)
Total	**46,324,999**	**3,886,871**	**77,989,000**	**128,200,870**

2019	Stage 1 Individual	Stage 2 Individual	Stage 3 Specific	Total
Gross carrying amount as at 1 January 2019	24,877,679	4,794,975	172,373,000	202,045,654
New assets originated or purchased	39,138,238	2,576,796	42,164,000	83,879,034
Assets derecognised or repaid (excluding write offs)	(9,411,408)	(4,124,354)	(30,093,000)	(43,628,761)
Transfers to stage 1	4,353,619	(1,611,481)	(2,742,138)	-
Transfers to stage 2	(281,922)	281,922	-	-
Transfers to stage 3	(538,284)	(842,693)	1,380,977	-
Amounts written off	-	-	(51,541,000)	(51,541,000)
Total	**58,137,922**	**1,075,166**	**131,541,839**	**190,754,927**

Impairment allowance for loans and advances to retail customers

2020	Stage 1 Individual	Stage 2 Individual	Stage 3 Specific	Total
Gross carrying amount as at 1 January 2019	10,471,882	2,635,519	50,128,358	63,235,759
New assets originated or purchased	4,508,296	6,167,443	25,765,000	36,440,739
Assets derecognised or repaid (excluding write offs)	(7,481,723)	498,953	(8,521,358)	(15,504,128)
Transfers to stage 1	2,010,756	(1,292,931)	(717,825)	-
Transfers to stage 2	(218,975)	218,975	-	-
Transfers to stage 3	(210,269)	(1,598,556)	1,808,825	-
Amounts written off	-	-	(2,543,000)	(2,543,000)
Total	**9,079,967**	**6,629,403**	**65,920,000**	**81,629,370**

2019

	Stage 1 Individual	Stage 2 Individual	Stage 3 Specific	Total
Gross carrying amount as at 1 January 2019	3,470,264	11,107,585	32,737,000	47,314,849
New assets originated or purchased	8,150,854	2,337,501	24,447,000	34,935,354
Assets derecognised or repaid (excluding write offs)	(2,954,144)	(8,101,300)	(3,812,000)	(14,867,444)
Transfers to stage 1	2,214,381	(1,049,182)	(1,165,199)	-
Transfers to stage 2	(130,602)	130,602	-	-
Transfers to stage 3	(278,870)	(1,789,687)	2,068,557	-
Amounts written off	-	-	(4,147,000)	(4,147,000)
Total	**10,471,883**	**2,635,519**	**50,128,358**	**63,235,759**

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

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

	2020 GH¢	2019 GH¢
Provisions per Bank of Ghana guidelines	157,495,753	214,168,993
Provisions per IFRS	209,830,240	258,612,542

No credit risk reserve was made in 2019 and 2020 as IFRS provision is greater than provision under Bank of Ghana guidelines.

21. Investment securities

	2020	2019
Debt instruments measured at amortised cost	427,587,822	83,104,992
Debt instruments measured at Fair value through OCI	108,961,776	-
	536,549,598	**83,104,992**

21a.

	GH¢ **Debt instruments measured at amortised cost**	GH¢ **Debt instruments measured at Fair value through OCI**	GH¢ **Debt instruments measured at amortised cost**	GH¢ **Debt instruments measured at Fair value through OCI**
Cost	428,091,754	107,180,571	83,104,992	-
Fair value		1,781,205	-	-
Less impairment	(503,932)	-	-	-
	427,587,822	**108,961,776**	**83,104,992**	**-**

Lien on investment securities

Included in debt instruments measured at amortised cost is an amount of GH¢20million placed with the Bank of Ghana (BoG) by Societe Generale Ghana Plc as integrity capital as part of the requirement for a Dedicated Electronic Money Issuer (DEMI) licence for YUP Ghana, an associated company of Societe Generale Ghana Plc. The said amount has been invested by the Bank of Ghana (BoG) in a 5 year Bond bearing an interest of 21.5% per annum and is expected to mature in March 2025. The aforementioned and its accrued interest is a regulatory requirement and may only be made available to Societe Generale Ghana Plc in the instances where the licence is cancelled, expired or revoked and after all the liabilities held by YUP Ghana Limited has been settled.

Debt instruments measured at amortised cost

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

2020

	Stage 1 Individual	Stage 2 Individual	Stage 3 Individual	Total
Government Bills and Bonds	427,587,822	-	-	427,587,822
Total exposure	**427,587,822**	**-**	**-**	**427,587,822**

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 2020	83,104,992	-	-	83,104,992
New assets originated or purchased	437,338,770	-	-	437,338,770
Assets derecognised or matured (excluding write offs)	(92,855,940)	-	-	(92,855,940)
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Amounts written off	-	-	-	-
Total	**427,587,822**	**-**	**-**	**427,587,822**

Impairment allowance for debt instruments measured at amortised cost

2020

	Stage 1 Individual	Stage 2 Individual	Stage 3 Individual	Total
ECL allowance as at 1 January 2020	-	-	-	-
New assets originated or purchased	(503,932)	-	-	(503,932)
Assets derecognised or repaid (excluding write offs)	-	-	-	-
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Amounts written off	-	-	-	-
Total	**(503,932)**	**-**	**-**	**(503,932)**

2019

	Stage 1 Individual	Stage 2 Individual	Stage 3 Individual	Total
Government bills and bonds	83,104,992	-	-	83,104,992
Total exposure	**83,104,992**	**-**	**-**	**83,104,992**

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

	Stage 1 Individual	Stage 2 Individual	Stage 3 Collective	Total
Gross carrying amount as at 1 January 2019	691,417,274	-	-	691,417,274
New assets originated or purchased	46,591,281	-	-	46,591,281
Assets derecognised or matured (excluding write offs)	(654,903,562)	-	-	(654,903,562)
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Amounts written off	-	-	-	-
Total	**83,104,992**	**-**	**-**	**83,104,992**

Impairment allowance for debt instruments measured at amortised cost

Instruments under this category were issued by the central bank and government. Impairment for these instruments were assessed to be insignificant in 2019.

22. Property, plant and equipment

	2020 GH¢	2019 GH¢
Property, plant and equipment (22b)	290,748,100	290,868,619
	290,748,100	**290,868,619**

22a. Depreciation and amortization

	2020 GH¢	2019 GH¢
Property, plant and equipment (22b)	32,459,174	31,877,648
Intangible assets (23)	1,128,990	1,303,033
	33,588,164	**33,180,681**

22b. Property, plant and equipment

2020	**Land & Building** GH¢	**Right of Use Assets** GH¢	**Computers** GH¢	**Furniture & Equipment** GH¢	**Motor Vehicles** GH¢	**Assets in Course of Construction** GH¢	**Total** GH¢
Cost/valuation							
Balance as at 1 January	79,832,821	203,966,119	21,868,925	49,743,300	8,621,695	22,939,034	386,971,894
Additions	184,493	13,108,407	947,679	1,736,399	353,400	16,011,855	32,342,233
*Transfers	1,046,506	39,709	-	612,615	-	(1,698,830)	-
Write offs	-	-	-	-	-	(3,577)	(3,577)
Disposal	-	-	-	-	-	-	-
Balance as at 31 December	**81,063,820**	**217,114,235**	**22,816,604**	**52,092,314**	**8,975,095**	**37,248,482**	**419,310,550**

Notes to the Financial Statements cont'd

2020	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 as at 1 January	22,482,411	15,027,290	19,966,852	32,597,788	6,028,935	-	96,103,276
Charge for the year	6,862,604	16,695,061	1,135,928	6,031,760	1,733,821	-	32,459,174
*Transfers	(1,064,311)	1,064,311	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
Balance as at 31 December	**28,280,704**	**32,786,662**	**21,102,780**	**38,629,548**	**7,762,756**	**-**	**128,562,450**
NBV as at 31 December 2020	**52,783,116**	**184,327,573**	**1,713,824**	**13,462,766**	**1,212,339**	**37,248,482**	**290,748,100**

2019							
Cost/valuation							
Balance as at 1 January	258,808,734	-	20,744,290	45,584,312	8,201,773	25,743,835	359,082,944
Transfers:							-
From land & building	(184,159,794)	179,141,922	-	-	-	-	(5,017,872)
From Other assets to ROUA	-	11,784,937	-	-	-	-	11,784,937
Balance after IFRS 16 application	**74,648,940**	**190,926,859**	**20,744,290**	**45,584,312**	**8,201,773**	**25,743,835**	**365,850,009**
Additions	202,085	7,133,570	790,815	1,419,031	197,245	12,372,986	22,115,732
Transfers	4,981,797	5,905,691	333,819	2,782,917	943,359	(15,177,787)	(230,204)
Disposal	-	-	-	(42,961)	(720,683)	-	(763,644)
Balance as at 31 December	**79,832,821**	**203,966,119**	**21,868,925**	**49,743,300**	**8,621,695**	**22,939,034**	**386,971,894**
Depreciation							
Balance as at 1 January	21,404,945	-	18,574,988	25,917,438	3,971,457	-	69,868,828
Charge for the year	6,095,339	15,027,290	1,391,864	6,723,311	2,639,845	-	31,877,648
Transfers	-	-	-	-	-	-	(5,017,873)
Disposal		-	-	(42,961)	(582,367)	-	(625,328)
Balance as at 31 December	**22,482,411**	**15,027,290**	**19,966,852**	**32,597,788**	**6,028,935**	**-**	**96,103,276**
NBV as at 31 December 2019	**57,350,411**	**188,938,830**	**1,902,072**	**17,145,512**	**2,592,760**	**22,939,034**	**290,868,619**

23. Intangible assets

	2020 GH¢	2019 GH¢
Computer software		
Cost		
Balance as at 1 January	21,201,601	20,538,987
Additions	664,895	432,411
Transfers of asset in course of construction Note 22b	-	230,203
Balance as at 31 December	**21,866,496**	**21,201,601**
Amortisation		
Balance as at 1 January	19,473,036	18,170,003
Charge for the year	1,128,990	1,303,033
Balance as at 31 December	20,602,026	19,473,036
Carrying amount	1,264,470	1,728,565
31 December	**1,264,470**	**1,728,565**

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

24. Current Tax: assets/liabilities

	2020 GH¢	2019 GH¢
Corporate tax (note 24a)	(24,680,582)	(35,602,172)
National stabilization levy (note 24b)	(1,071,942)	(149,158)
	(25,752,524)	**(35,751,330)**

24a. Corporate tax

	2020 GH¢	2019 GH¢
Balance as at 1 January	(35,602,172)	1,425,257
Charge to statement of profit or loss and other comprehensive income	(71,823,122)	(74,434,446)
Payment/credit during the year	82,744,712	37,407,017
Balance as at 31 December	**(24,680,582)**	**(35,602,172)**

24b. National stabilization levy

	2020 GH¢	2019 GH¢
Balance as at 1 January	(149,158)	457,509
Charge to statement of profit or loss and other comprehensive income	(11,081,502)	(8,834,567)
Payment/credit during the year	10,158,718	8,227,900
Balance as at 31 December	**(1,071,942)**	**(149,158)**

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 .

25. Other assets

	2020 GH¢	2019 GH¢
Stationery and consumable stocks	151,806	195,890
Prepayments and sundry debtors (25a)	66,308,069	62,268,706
Accrued income	51,644	49,639
	66,511,519	**62,514,235**

25a. Prepayments and sundry debtors

	GH¢	GH¢
Deferred cost	1,343,217	597,407
Unpaid customer charges	6,569,231	6,424,041
Deferred staff cost	14,209,047	13,018,272
Rent prepayment	536,954	279,782
Medical prepayment	3,070,767	2,855,837
Bills payment	3,590,921	378,368
Other sundry debtors & prepayment	36,987,932	38,714,999
	66,308,069	**62,268,706**

26. Borrowings

	2020 GH¢	2019 GH¢
Socgen borrowing	318,912,566	116,367,859
European international bank	22,480,716	27,763,111
Proparco	24,873,505	33,191,271
Edaif managed fund	-	373,736
	366,266,787	**177,695,977**

The Bank has not had any defaults of principal, interest or other breaches with regard to any liabilities during 2020 or 2019.

Summary of borrowing arrangements
Societe de Promotion et de Participation pour la Cooperation Economique (PROPARCO): This is a USD 30 million long-term credit line ('the facility') granted to the bank. The first draw down of USD 6 million has a fixed interest rate of 5.12% and 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 2020 the amounts outstanding is € 3.5 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 2020 the outstanding balance is € 3.85 million

SocGen Borrowing : The bank took two facilitities from the group. The first one is a $ 65.8 million renewable 1 year credit line.The second is a 7 year loan facility of $55m at Libor 3-months plus a margin of 376 basis points and will mature in 4 May 2027. As at 31 December 2020 the total amount outstanding was $ 55.4 million

27. Deposit from customers

	2020 GH¢	2019 GH¢
Retail customers		
Term deposits	436,274,367	366,448,925
Current deposits	818,411,367	670,506,185
Savings deposits	524,037,991	403,370,000
Corporate customers		
Term deposits	224,964,145	285,864,661
Current deposits	1,475,797,067	1,441,773,443
Savings deposits	1,858,384	1,742,757
Interest payable on deposits		
Deposits from customers	3,481,343,321	3,169,705,971
Deposits from banks	3,945,938	25,675,390
	3,485,289,259	**3,195,381,361**

27a. Analysis by type of deposits

	2020 GH¢	2019 GH¢
Financial institutions	48,601,920	30,659,804
Individuals and other private enterprise	3,422,906,822	3,085,206,185
Government departments and agencies	2,858,513	8,253,547
Public enterprises	10,922,004	71,261,825
	3,485,289,259	3,195,381,361
20 Largest depositors to total deposit ratio	**24.30%**	**30.85%**

28. Other liabilities

	2020 GH¢	2019 GH¢
Creditors	32,841,345	34,595,186
Other creditors and provisions (28a)	88,753,380	52,654,313
Accruals (28b)	190,708,168	145,869,611
	312,302,893	**233,119,110**

28a. Other creditors and provisions

	2020 GH¢	2019 GH¢
Payment orders	7,394,104	5,377,101
Statutory deductions	2,406,032	2,147,858
Uncleared effects (28c)	58,379,042	27,464,990
Other commitments & credit balances	9,444,919	8,529,756
Staff related provisions (28d)	2,537,000	-
Off balance sheet provisions	3,827,276	4,309,505
Other provisions (28d)	4,765,007	4,825,103
	88,753,380	**52,654,313**

28b. Accruals

	2020 GH¢	2019 GH¢
Staff & related accruals	5,868,608	7,179,140
Audit fees	229,267	590,512
Software maintenance	78,086,122	52,605,612
IT, marketing & other shared services	67,812,265	60,996,196
Other accruals	38,711,906	24,498,151
	190,708,168	**145,869,611**

28c. Uncleared effects

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

Aging analysis of uncleared effect	**Total GH¢**	**2020 Below 3 months GH¢**	**2020 3 to 6 months GH¢**	**2020 6 to 12 months GH¢**	**2020 Above 1 year GH¢**
Uncleared effect	**58,379,042**	**55,134,614**	**896,557**	**2,263,411**	**84,460**

	Total GH¢	2019 Below 3 months GH¢	2019 3 to 6 months GH¢	2019 6 to 12 months GH¢	2019 Above 1 year GH¢
Uncleared effect	27,464,990	23,556,223	1,989,351	1,095,725	823,690

28d. Provisions

2020	Other Provisions GH¢	Staff Provisions GH¢	Total GH¢
As at 1 January 2020	4,825,103	-	4,825,103
Provisions made during the year	2,537,000	2,809,391	
Provisions reversed during the year	(332,487)	-	(332,487)
As at 31 December 2020	**4,765,007**	**2,537,000**	**7,302,007**

2019			
As at 1 January 2019	9,577,617	-	9,577,617
Provisions made during the year	2,582,834	3,242,121	5,824,955
Provisions reversed during the year	(7,335,348)	(3,242,121)	(10,577,469)
As at 31 December 2019	**4,825,103**	**-**	**4,825,103**

29. Stated capital

	2020	2019
a. Authorised ordinary shares		
Number of ordinary shares of no par value	1,000,000,000	1,000,000,000

b. Issued and fully paid ordinary shares	Number	2020 Amount GH¢	Number	2019 Amount GH¢
Issued and fully paid ordinary shares	709,141,367	404,245,427	709,141,367	404,245,427

30. Dividend declared and paid

	2020 GH¢	2019 GH¢
Equity dividend on ordinary shares:		
Dividend declared	31,911,361	28,365,655
Dividend paid during the year	(31,911,361)	(28,365,655)
Balance as at 31 December	**-**	**-**

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

31. 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

	2020		2019	
	Interest Paid	Interest Received	Interest Paid	Interest Received
	GH¢	GH¢	GH¢	GH¢
Societe Generale borrowing	10,670,773	137,705	8,443,289	88,615

b. Related party balances at December

Lending to related parties:

	2020 GH¢	2019 GH¢
Officers and employees other than Directors	68,657,096	57,972,086
Nostro account balances with Societe Generale Group	783,910,594	628,198,392

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.

32. Contingent liabilities

32a. Breakdown of contingent liabilities

	2020 GH¢	2019 GH¢
Guarantees and indemnities	195,746,677	228,593,438
Letters of credit & others	126,073,791	116,796,169
Other undrawn commitments	70,176,925	215,719,434
Spot and forward purchase	273,077,597	205,383,248
	665,074,990	**766,492,290**

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

Stage 1	Stage 2 Individual	Stage 3 Individual	Total Individual	
Financial guarantees	665,074,990	-	-	665,074,990
Total outstanding exposure	**665,074,990**	**-**	**-**	**665,074,990**

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

	Stage 1 Individual	Stage 2 Individual	Stage 3 Collective	Total
Gross carrying amount as at 1 January 2020	766,492,290	-	-	766,492,290
New assets originated or purchased	623,662,359	-		623,662,359
Assets derecognised or matured (excluding write offs)	(725,079,659)	-		(725,079,659)
Transfers to stage 1	-	-		-
Transfers to stage 2		-	-	-
Transfers to stage 3		-	-	-
Amounts written off			-	-
Total outstanding exposure	**665,074,990**	**-**	**-**	**665,074,990**

32b. Impairment allowance for contingent liabilities

	2020 **GH¢**	2019 GH¢
Opening balance	4,309,506	5,959,016
Charge for the year	(482,230.00)	(1,649,511)
Closing stock of provision	3,827,276	4,309,506

	Stage 1 Individual	Stage 2 Individual	Stage 3 Collective	Total
Gross carrying amount as at 1 January 2019.	4,309,506	-	-	4,309,506
New assets originated or purchased	-	-	-	-
Assets derecognised or matured (excluding write offs)	(482,230)	-		(482,230)
Transfers to stage 1		-	-	-
Transfers to stage 2		-	-	-
Transfers to stage 3		-	-	-
Amounts written off		-	-	-
At 31 December 2020	**3,827,276**	**-**	**-**	**3,827,276**

33. 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. At year-end, the Bank had several unresolved legal claims.

Adequate provision has been made for all the relevant litigation for which losses may be probable. The probable outflow which could result from all such litigation, based on the current status of the various legal proceedings, is estimated to be no more than GH¢ 2,033,800 while the timing of the outflow is uncertain.

34. Analysis of financial assets and liabilities

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

31 December 2020	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 & cash equivalents	-	1,561,983,616	-	-	1,561,983,616
Non-pledged trading assets	67,896,476	-	-	-	67,896,476
Investment securities	-	-	108,961,776	427,587,822	536,549,598
Loans and advances to customers	-	2,562,706,675	-	-	2,562,706,675
Investments (other than securities)	12,236,465	-	-	-	12,236,465
Other assets	-	66,511,519	-	-	66,511,519
Total financial assets	**80,132,941**	**4,191,201,810**	**108,961,776**	**427,587,822**	**4,807,884,349**
Total non-financial assets					**307,322,003**
Total assets					**5,115,206,352**

Financial liabilities	**Financial Liabilities Measured at Amortised Cost GH¢**	**Total Carrying Amount GH¢**
Deposits from banks and customers	3,485,289,259	3,485,289,259
Borrowings	366,266,787	366,266,787
Other liabilities	338,055,417	338,055,417
Total financial liabilities	**4,189,611,463**	**4,189,611,463**
Total non-financial liabilities		**925,594,889**
Total liabilities and shareholders fund		**5,115,206,352**

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

The fair values approximates their carrying amounts. Hence no further disclosure on fair values.

Financial liabilities	Financial Liabilities Measured at Amortised Cost GH¢	Total Carrying Amount GH¢
Deposits from banks and customers	3,195,381,361	3,195,381,361
Borrowings	177,695,977	177,695,977
Other liabilities	233,119,110	233,119,110
Total financial liabilities	**3,606,196,448**	**3,606,196,448**
Total non-financial liabilities		**837,712,761**
Total liabilities and shareholders fund		**4,443,909,209**

35. Determination of fair value and fair values hierarchy

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

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

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

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

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

	Note	Level 1	Level 2	Level 3	Total
31 December 2020		GH¢	GH¢	GH¢	GH¢
Non-pledged trading assets	18	-	67,896,476	-	67,896,476
Equity investment	19	-	12,236,465	-	12,236,465
Derivative financial assets		-	-	-	-
land and building			-	237,110,689	237,110,689
		-	**80,132,941**	**237,110,689**	**317,243,630**
31 December 2019					
Non-pledged trading assets	18	-	57,523,936	-	57,523,936
Equity investment	19	-	8,862,900	-	8,862,900
Derivative financial assets		-	-	-	-
land and building		-	-	246,289,239	246,289,239
		-	**66,386,836**	**246,289,239**	**312,676,075**

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.

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

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

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

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

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

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

i. Credit Risk Committee - Quarterly;
ii. Asset and Liabilities Committee - Weekly;
iii. Structural Risk Committee - Quarterly;
iv. Market Risk Committee - Quarterly;
v. Operational Risk Committee (Periodic and Permanent Control, Business Continuity Planning and Compliance) - Quarterly.

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

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

	2020 **GH¢**	2019 GH¢
Due from bank and other financial institution	921,536,236	739,187,696
Non-pledged trading assets	67,896,476	57,523,936
Debt instruments at amortised cost	427,587,822	83,104,992
Loans and advances	2,825,769,351	2,944,425,788
Unsecured contingent liabilities and commitments	665,074,990	766,492,290
	4,907,864,875	**4,590,734,702**

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:

	2020 **GH¢**	2019 GH¢
Against impaired assets	299,019,226	574,949,924
Against past due but not impaired assets	75,009,807	29,275,047
	374,029,033	**604,224,971**

Liquidity risk and structural interest rate risk

Liquidity risk

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

The net liquidity gap resulting from liquidity analysis of assets and liabilities of the Bank as of 31 December 2020 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 undiscounted contractual terms of the transactions and models of historic client behaviour as well as conventional assumptions for some balance sheet items.

As at 31 December 2020	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	1,561,983,616	1,561,983,616	-	-	-
Non-pledged trading assets	67,896,476	67,896,476	-	-	-
Debt instruments at fair value through other comprehensive income	108,961,776	-	-	-	108,961,776
Investment securities	427,587,822	353,201,522	13,109,189	29,284,201	31,992,910
Loans and advances to customers	2,562,706,675	435,599,801	454,323,741	422,650,850	1,250,132,283
Equity investments	12,236,465	-	-	-	12,236,465
Other assets	66,511,519	41,499,925	19,453,462	5,558,132	
Property, plant and equipment	290,748,100	-	-	-	290,748,100
Intangible assets	1,264,470	-	-	-	1,264,470
Deferred tax assets	15,309,433	15,309,433	-	-	-
Total assets	**5,115,206,352**	**2,504,991,350**	**487,034,445**	**456,849,171**	**1,666,331,386**
Liabilities					
Deposits from banks	3,945,938	3,945,938	-	-	-
Deposits from customers	3,481,343,321	990,495,465	641,908,961	458,440,299	1,390,498,596
Borrowings	366,266,787	3,168,110	3,214,257	6,382,367	353,502,054
Current tax liabilities	25,752,524	25,752,524	-	-	-
Other liabilities	312,302,893	93,690,868	93,690,868	124,921,157	-
Total liabilities	**4,189,611,463**	**1,117,052,905**	**738,814,085**	**589,743,822**	**1,744,000,650**
Net liquidity gap	**925,594,889**	**1,387,938,444**	**(251,779,641)**	**(132,894,651)**	**(77,669,264)**
Contingent liabilities	**665,076,000**	**447,272,834**	**101,719,762**	**89,965,055**	**26,118,349**

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

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.

As at 31 December 2020	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		1,561,983,616	1,561,983,616	-	-
Non-pledged trading assets		67,896,476	67,896,476	-	-
		108,961,776	-	-	108,961,776
Investment securities	488,740,938	437,006,335	15,150,438	33,049,554	3,534,611
Loans and advances to customers	2,859,413,075	451,684,323	487,875,549	485,076,381	1,434,776,821
Equity investments	12,236,465	-	-	-	12,236,465
Total financial assets	**5,099,232,346**	**2,518,570,750**	**503,025,987**	**518,125,935**	**1,559,509,674**
Financial liabilities					
Deposits from banks	-	3,945,938	3,945,938	-	-
Deposits from customers	3,538,538,820	1,022,353,891	661,940,918	463,745,415	1,390,498,596
Borrowings	370,474,208	-	7,727,987	7,587,228	355,158,992
Total financial liabilities	**3,912,958,966**	**1,026,299,829**	**669,668,905**	**471,332,643**	**1,745,657,588**

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

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

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

The risk management is supervised by the Group. Limits are defined at Group consolidated level and at the level of each Group consolidated entity, and are validated by the Credit Risk Committee. Finance department of the Group is responsible for checking the risk level of Societe Generale Ghana 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 Finance Committee. The sensitivity is defined as the variation in the present value of future (maturities of up to 20 years) residual fixed rate positions (surplus or deficits) for a 1% parallel increase in the yield curve (i.e. this sensitivity does not relate to the sensitivity of annual net interest income). The limit for Societe Generale Ghana PLC is within the range of EUR -1.1 and 5.9 million (i.e. between GH¢ -5.83 and 31.25 million) This limit is -1.12% and 6.02% of shareholders' equity in reference to the lower and upper limits respectively.

In order to quantify its exposure to structural interest rate risks, Societe Generale Ghana 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).

31 December	Increase/decrease in basis points 2020		Effect on profit before tax 2020		Effect on equity 2020	
USD	+1%	-1%	8,996,743	(8,996,743)	6,297,720	(6,297,720)
EURO	+1%	-1%	1,316,850	(1,316,850)	921,795	(921,795)
GH¢	+1%	-1%	17,937,903	(17,937,903)	12,556,532	(12,556,532)
31 December	2019		2019			2019
USD	+1%	-1%	8,205,816	(8,205,816)	5,744,071	(5,744,071)
EURO	+1%	-1%	1,655,825	(1,655,825)	1,159,078	(1,159,078)
GH¢	+1%	-1%	19,582,617	(19,582,617)	13,707,832	(13,707,832)

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.

	Increase/decrease in basis points 2020		Effect on profit before tax 2020		Effect on equity 2020	
			GH¢	GH¢	GH¢	GH¢
USD	+1%	-1%	(181,787)	181,787	(127,251)	127,251
GBP	+1%	-1%	6,777	(6,777)	4,744	(4,744)
EUR	+1%	-1%	(219,505)	219,505	(153,654)	153,654
Other currencies	+1%	-1%	11,960	(11,960)	8,372	(8,372)

31 December	Increase/decrease in basis points 2020		Effect on profit before tax 2020		Effect on equity 2020	
			GH¢	GH¢	GH¢	GH¢
USD	+1%	-1%	(197,179)	197,179	(138,026)	138,026
GBP	+1%	-1%	25,276	(25,276)	17,693	(17,693)
EUR	+1%	-1%	(183,167)	183,167	(128,217)	128,217
Other currencies	+1%	-1%	20,016	(20,016)	14,011	(14,011)

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 - 5.7602, EUR - 7.0643 and GBP - 7.8742.

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.

	Increase/decrease in basis points 2019		Effect on profit before tax 2019		Effect on equity 2019
31 December 2020	USD GH¢	GBP GH¢	EURO GH¢	Others GH¢	Total GH¢
Assets					
Cash and balances with bank of ghana	6,911,313	5,241,501	6,205,637	-	18,358,451
Due from other banks and financial institutions	712,537,223	21,644,828	297,829,013	1,221,934	1,033,232,997
Other assets	680	-	0	40	721
Loan and advances to customers	899,674,319	383	131,684,968	-	1,031,359,670
Total assets	**1,619,123,534**	**26,886,711**	**435,719,618**	**1,221,974**	**2,082,951,838**

Liabilities	USD GH¢	GBP GH¢	EURO GH¢	Others GH¢	Total GH¢
Due to other banks and financial institutions	338,987,770	-	24,725,050	-	363,712,820
Due to customers	1,158,019,032	25,036,008	246,159,468	25,948	1,429,240,457
Other liabilities	71,173,055	1,173,006	187,475,690	-	259,821,751
Total liabilities	1,568,179,857	26,209,014	458,360,208	25,948	2,052,775,028
Net on balance sheet position	50,943,677	677,697	(22,640,590)	1,196,026	30,176,810
Net off balance sheet position	(69,122,400)	-	690,067	-	(68,432,333)
Net open position	**(18,178,723)**	**677,697**	**(21,950,523)**	**1,196,026**	**(38,255,522)**

31 December 2019	USD GH¢	GBP GH¢	EURO GH¢	Others GH¢	Total GH¢
Assets					
Cash and balances with bank of ghana	6,852,179	3,013,824	3,674,457	-	13,540,460
Due from other banks and financial institutions	599,859,111	22,886,210	127,399,835	1,869,587	752,014,743
Other assets	654	269	-	-	923
Loan and advances to customers	723,370,158	358	159,512,834	-	882,883,350
Total assets	**1,330,082,102**	**25,900,661**	**290,587,126**	**1,869,587**	**1,648,439,476**
Liabilities					
Due to other banks and financial institutions	148,630,151	-	27,951,075	-	176,581,226
Due to customers	1,136,169,312	22,512,871	145,087,337	22,771	1,303,792,291
Other liabilities	38,893,330	860,133	146,331,188	361	186,085,012
Total liabilities	**1,323,692,793**	**23,373,004**	**319,369,600**	**23,132**	**1,666,458,529**
Net on balance sheet position	**6,389,309**	**2,527,657**	**(28,782,474)**	**1,846,455**	**(18,019,053)**
Net off balance sheet position	**(37,075,790)**	**-**	**708,737**	**-**	**(36,367,053)**
Net open position	**(30,686,481)**	**2,527,657**	**(28,073,737)**	**1,846,455**	**(54,386,106)**

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.

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.

37. Regulatory breaches

During the year under review, the bank breached four sections of the Specialised Deposit -Taking Instiutuions Act, 2016 (Act 930). The Bank was levied an amount of GH¢ 677,799.94 in accordance with the relevant sections of the act.

38. 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 2020	Retail Banking GH¢	Corporate Banking GH¢	Treasury GH¢	Total GH¢
Revenue				
Interest & similar revenue (3 parties)	253,301,527	266,161,852	-	519,463,379
Interest & similar expense	(63,574,762)	(50,185,179)	(491,470)	(114,251,411)
Net interest margin	**189,726,765**	**215,976,673**	**(491,470)**	**405,211,968**
Fees & commission revenue	47,445,767	29,303,732	398,607	77,148,106
Fees & commission expense	(21,145,168)	(1,702,041)	-	(22,847,209)
Net commission income	**26,300,599**	**27,601,691**	**398,607**	**54,300,897**
Net trading revenue	11,598,375	30,058,677	3,193	41,660,244
Net income from other financial instruments carried at fair value	-	-	52,417,416	52,417,416
Other operating income	(4,059,216)	(593,346)	7,689	(4,644,872)
Total other operating income	**7,539,159**	**29,465,331**	**52,428,298**	**89,432,788**
Total operating income	**223,566,523**	**273,043,695**	**52,335,435**	**548,945,653**
Net impairment loss on financial assets	(16,853,410)	(16,496,164)	-	(33,349,574)
Personnel expenses	(64,806,086)	(53,088,277)	(10,797,483)	(128,691,845)
Depreciation/ amortisation	**(16,566,524)**	**(14,283,803)**	**(2,737,837)**	**(33,588,164)**
Other operating expenses	(53,631,154)	(65,500,185)	(12,554,696)	(131,686,035
Total operating expense	**(135,003,764)**	**(132,872,265)**	**(26,090,016)**	**(293,966,044)**
Profit before tax	**71,709,349**	**123,675,266**	**26,245,419**	**221,630,035**
Total assets	**2,063,062,479**	**3,036,181,771**	**15,962,102**	**5,115,206,352**
Total liabilites	**2,006,059,483**	**2,183,551,980**	**-**	**4,189,611,463**

No revenue from transactions with a single customer or counter party amounted to 10% or more of the Bank's total revenue in 2020 or 2019 .All Segment revenue are from external customers only. The Accounting policies of the reportable segments are the same as the Bank. There were no intra company profit for the period under review.

Notes to the Financial Statements cont'd

31 December 2019	Retail Banking GH¢	Corporate Banking GH¢	Treasury GH¢	Total GH¢
Revenue				
Interest & similar revenue (3 parties)	215,680,234	238,368,523	-	454,048,757
Interest & similar expense	(49,344,881)	(35,865,833)	(3,024,343)	(88,235,057)
Net interest margin	**166,335,353**	**202,502,690**	**(3,024,343)**	**365,813,700**
Fees & commission revenue	43,260,939	29,927,525	8,411	73,196,875
Fees & commission expense	(21,591,067)	(1,562,957)	-	(23,154,024)
Net commission income	**21,669,872**	**28,364,568**	**8,411**	**50,042,851**
Net trading revenue	9,191,732	25,285,454	39,588	34,516,774
Net income from other financial instruments carried at fair value	367,618	367,618	39,011,224	39,746,460
Other operating income	15,212,042	3,683,979	40,451	18,936,472
Total other operating income	**24,771,392**	**29,337,051**	**39,091,263**	**93,199,706**
Total operating income	**212,776,617**	**260,204,309**	**36,075,331**	**509,056,257**
Net impairment loss on financial assets	**(18,598,044)**	**(36,324,622)**	**-**	**(54,922,666)**
Personnel expenses	(62,111,711)	(53,102,181)	(8,023,471)	(123,237,363)
Depreciation/ amortisation	(16,323,162)	(14,804,928)	(2,052,590)	(33,180,680)
Other operating expenses	(50,585,998)	(61,861,566)	(8,576,632)	(121,024,196)
Total operating expense	**(129,020,871)**	**(129,768,675)**	**(18,652,693)**	**(277,442,239)**
Profit before tax	**65,157,702**	**94,111,012**	**17,422,638**	**176,691,352**
Total assets	**1,691,279,929**	**2,737,953,558**	**14,675,721**	**4,443,909,208**
Total liabilites	**1,622,482,605**	**2,019,465,170**	**-**	**3,641,947,775**

39. Capital

Capital management

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

a. Capital definition

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

b. Stated capital

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

c. Income surplus

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

d. Revaluation reserve

This amount comprises revaluation of property, plant and equipment.

e. Statutory reserve

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

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

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 available for sale reserve on debt securities and available for sale on equity investments. Available for sale reserve on debt securities records unrealized gains and losses on government securities.

	2020 Available for sale reserve	**2019 Available for sale reserve**
Opening balances	-	-
Investment securities measured at FVOCI- gross	1,781,205	-
Investment securities measured at FVOCI- tax	(445,301)	-
Total other reserves	**1,335,904**	-

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 2020 is shown below:

	2020 GH¢	2019 GH¢
Tier 1 capital	567,738,470	480,824,924
Tier 2 capital	75,391,283	73,607,798
Total regulatory capital	**643,129,753**	**554,432,722**
Total risk weighted assets	**3,769,564,149**	**3,680,389,919**
Common equity tier 1 / rwa	**15.06%**	**13.06%**
Capital adequacy ratio	**17.06%**	**15.06%**

40. 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	26,972	8,247,086	1.16%
1,001-5,000	5,203	8,812,916	1.24%
5,001-10,000	894	5,826,167	0.82%
Over 10,000	682	686,255,198	96.77%
	33,751	**709,141,367**	**100.0%**

41. Subsequent events

Since 31 December 2019, the spread of COVID-19 has severely affected many local economies around the globe with Ghana seeing its first case on 12 March 2020. In many countries, most businesses are being adversely affected or forced to cease/ limit operations for long or indefinite periods. This is mainly because measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

The Company has determined that these events are non-adjusting subsequent events as the COVID-19 is indicative of a condition that arose after the end of the reporting period. Accordingly, the financial position and results of operations as of and for the year ended 31 December 2020 have not been adjusted to reflect their impact.

42. Value added statement

Value added statements for the year ended 31 December 2020	2020 GH¢	2019 GH¢
Interest earned and other operating income	686,044,273	619,821,376
Direct cost	(137,098,620)	(111,389,081)
Value added by banking services	548,945,653	508,432,295
Non - banking income	-	623,961
Impairments	(33,349,574)	(54,922,666)
Value added	**515,596,079**	**454,133,590**
Distributes as follows:		
To employees :-		
Directors (without executives)	(803,027)	(1,309,833)
Executive directors	(2,391,327)	(2,086,712)
Other employees	(126,300,518)	(121,150,652)
To government :-		
Income tax	(67,421,120)	(48,149,164)
To providers of capital :-		
Dividend to shareholders		
To expansion and growth :-		
Depreciation	(32,459,174)	(31,877,648)
Amortisation	(1,128,990)	(1,303,033)
Other operating cost	(130,883,008)	(121,024,195)
To retained earnings	154,208,915	128,542,186

43. Twenty Largest Shareholders

	Shareholders Account Name	Number of 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	11,589,540	1.63
5	AMENUVOR, GIDEON	3,693,934	0.52
6	SCGN/CITIBANK KUWAIT INV AUTHORITY	3,428,568	0.48
7	SOCIETE GENERAL EMPLOYEES' SHARE OWNERSHIP	3,348,127	0.47
8	SCGN/DATABANK BALANCED FUND LIMITED	2,538,447	0.36
9	ENO INTERNATIONAL LLC,	2,494,761	0.35
10	SCGN/JPMORGAN BK LUX SA RE ROBECO AFRIKA FONDS N.V, 056898600288	2,193,248	0.31
11	SCGN/CACEIS BANK RE:HMG GLOBETROTTER	2,125,646	0.30
12	SCGN/'EPACK INVESTMENT FUND LIMITED TRANSACTION	2,113,443	0.30
13	ADJEPON-YAMOAH, BEATRICE E. MRS	1,982,930	0.28
14	EDC/TEACHERS EQUITY FUND,	1,746,206	0.25
15	HFCN/ EDC GHANA BALANCED FUND LIMITED	1,381,333	0.19
16	SCGN/SSB EATON VANCE TAX-, MANAGED EMERGING MARKET FUND	1,345,362	0.19
17	SCGN/GHANA MEDICAL ASS. PENSION FUND	1,187,696	0.17
18	MR, PHILIP OPOKU-MENSAH	1,138,474	0.16
19	SCGN:ENTERPRICE LIFE, C/O STANDARD CHARTERED E L A L	1,025,922	0.14
20	MBG ESSPA SCHEME	1,009,233	0.14
	Total	**656,925,545**	**92.64**
	Others	**52,215,822**	**7.36**
	Grand Total	**709,141,367**	**100.00%**

44. Director's shareholding

Director	Shareholding
NIL	**-**

45. ANALYSIS OF SHAREHOLDING AT 31 DECEMBER 2020

	NUMBER OF SHAREHOLDERS	NUMBER OF SHARES	% HOLDING
NON DEPOSITORY	24,217	19,547,655	2.76
DEPOSITORY (CSD)	9,534	689,593,712	97.24
TOTAL	33,751	709,141,367	100.00

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 on line), 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 PLC 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, Martco House, Dede Awula Street, Off Kwame Nkrumah Avenue, Adabraka 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 14 March 2021 to give them access to the meeting. Shareholders who do not receive this token can contact the Registrars NTHC Company Limited, Martco House, Dede Awula Street, Off Kwame Nkrumah Avenue, Adabraka Accra or on telephone number 059 310 5735 or by email registrars@nthc.com.gh or any time after 14 March 2021 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
Martco House, Dede Awula Street
Off Kwame Nkrumah Avenue
PO Box KIA 9563, Accra
Telephone No: 059 310 5735
Email: registrars@nthc.com.gh

PROXY FORM

SOCIETE GENERALE GHANA PLC
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 Thursday 30 September 2021at 11.00 a.m. and at every adjournment thereof):
Please indicate with an **X** how you wish your vote to be cast

RESOLUTION		FOR	AGAINST
1.	To receive the accounts		
2.	To re-elect as non-executive director Laurette Otchere		
3.	To elect as Independent Non-Executive Director Francis Awua-Kyerematen		
4.	To approve directors fees		
5.	To authorize the directors to fix the auditors fees		

Signed this …………… day of ……………………………………………………………………… 2021

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

RESOLUTION 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. **RECEIVE THE 2020 ACCOUNTS**
The Board shall propose the acceptance of the 2020 Financial Statements as the true and fair view of the state of affairs of the company for the year ended 31 December 2020.

2. **RE-ELECT DIRECTORS**
To re-elect Directors, the following Director retiring by rotation pursuant to Section 88 (1) of the Constitution of the Company's Constitution retire by rotation and being eligible; offers herself for re-election as a director:-
    - Mrs. Laurette Otchere

3. **ELECTION OF DIRECTORS**
In accordance with Section 72(1) and 90 of the Constitution of the Bank Mr Francis Awua-Kyerematen was appointed as a Independent Non Executive Director of the Bank and offers himself for election.

4. **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 GH¢648,592.73 It is further proposed that the Board of Directors be given the mandate to approve the emoluments of the Executive Director.

5. **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 the current Auditors Messrs Ernst & Young continue as Auditors of the Company. The Board will request that they fix the fees of the Auditors.

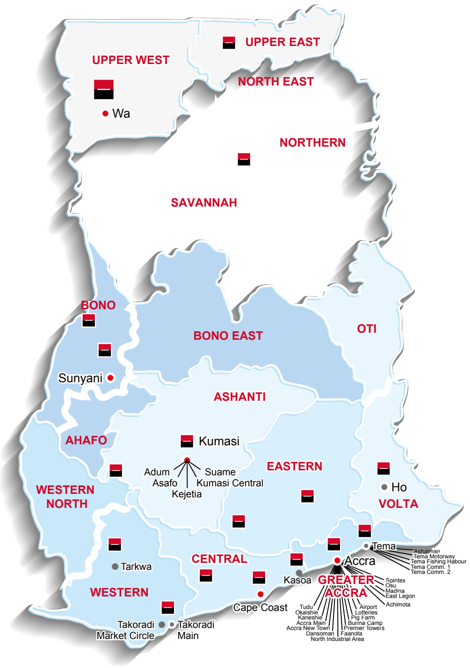
THE REGISTRAR
NTHC LIMITED
MARTCO HOUSE
P.O.BOX KA 9563
AIRPORT
ACCRA

FOLD HERE

FOLD HERE

SOCIETE GENERALE
GHANA

VISIT ANY OF OUR 39 OUTLETS ACROSS GHANA



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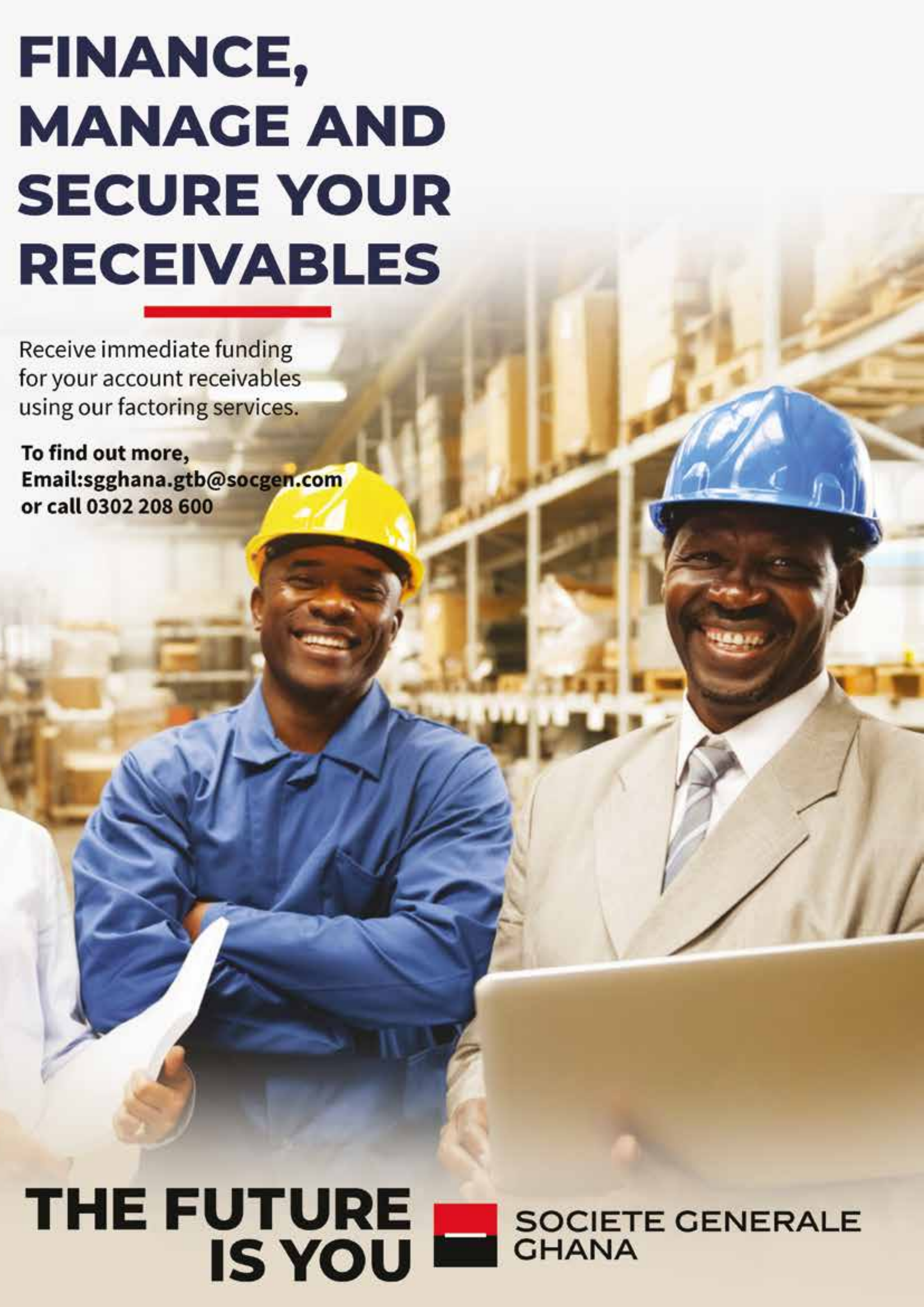
NAME OF BRANCH	ADDRESS	PHONE NO	DIGITAL ADDRESS
GREATER ACCRA			
Accra Main	P. O. Box 13119, Accra	0302 208 600 / 0302911021	GA-047-7257
Accra New Town	P O Box 13119, Accra	0302228515	GA-044-7774
Achimota	P O Box 13119, Accra	0303974818	GA-044-7774
Airport City	P O Box 13119, Accra	0307011347	GL-126-6927
Ashaiman	P.O.Box Co 2885, Tema	0307011518 / 0307011654	GB-018-9776
Burma Camp Spot bank	P O Box 13119, Accra	030 7011525	GL-088-0179
Dansoman	P O Box 13119, Accra	0302 322 547-9	GA-471-9567
East Legon	P O Box 13119, Accra	03022543728/9	GA-288-4215
Faanofa	P O Box 13119, Accra	0302 252500	GA-099-3044
Kaneshie	P O Box 13119, Accra	0302 682 846	GA-263-8749
Kaneshie Market	P O Box 13119, Accra	0303 978422	GA-313-4497
Lotteries Agency	P O Box 13119, Accra	030 2667370/2672610	GA-143-9373
Madina	P O Box 13119, Accra	0577650907 / 0307012922	GM-018-0749
North Industrial Area	P O Box 13119, Accra	0302 229811	GA-171-3067
Okaishie	P O Box 13119, Accra	0577650384 / 5	GA-141-2594
Osu	P O Box 13119, Accra	0302 790384	GA-035-5968
Pig Farm Spot Bank	P O Box 13119, Accra	030 2934972	GA-061-0461
Premier Towers	P O Box 13119, Accra	030 2668650/2667146/2682207	GA-110-5597
Spintex Road	P O Box 13119, Accra	0302 961993	GT-334-3510
Tema Community 2	P O Box Co 2885, Tema	0303202558	GT-055-2185
Tema Fishing Harbour	P O Box Co 1668, Tema	030 3204462/3202288	GT-062-1084
Tema Motorway Spot Bank	P.O.Box Co 2885, Tema	030 2959127	GB-009-6202
Tudu	P O Box 13119, Accra	0577 650 930	GA-142-6841
ASHANTI REGION			
Adum	P O Box 4542, Kumasi	0577 650922 / 0322 025379	
Kumasi Central	P O Box 4542, Kumasi	0577 650972-4	
Suame	P O Box 4542, Kumasi	0303973691	
Kejetia	P O Box 4542, Kumasi	020 2801070	AK-006-1536
BONO REGION			
Berekum	P O Box 49, Berekum	035 2222261/2222262	
Sunyani	P O Box 1131, Sunyani	0352027050	BS-0006-3640
CENTRAL REGION			
Cape Coast	P O Box 1019, Cape Coast	0332132159	CC-023-6570
Dunkwa	P O Box 64, Dunkwa	0302947741	
Kasoa	P O Box 13119, Accra	0302984479 / 0302963765	CG-0702-0351
EASTERN REGION			
Akim Oda	P O Box 325, Akim Oda	0577650949/50	
Koforidua	P O Box 987, Koforidua	034 2022236/2022778	
NORTHERN REGION			
Tamale	P O Box 192, Tamale	0372023253	NT-0008-6651
UPPER EAST REGION			
Bolgatanga	P O Box 344, Bolgatanga	0382011064	UB-0001-1721
UPPER WEST REGION			
Wa	P O Box 240, Wa	0392022147	XW-0018-3163
VOLTA REGION			
Ho	P O Box HP - 360, Ho	0362026651	
WESTERN NORTH REGION			
Bibiani	P O Box 58, Bibiani	031 2093031/2093032	WB-0001-2569
WESTERN REGION			
Tarkwa	P O Box 219, Tarkwa	031 2320951/2320950	WT-0004-1130
Takoradi	P O Box 660, Takoradi	0577650941	
Takoradi Market Circle	P O Box 660, Takoradi	0312033288	
DIGITAL ZONES			
37 MILLITARY HOSPITAL	P. O. Box 13119, Accra	0302 208600	GA-007-6869
METHODIST UNIVERSITY	P. O. Box 13119, Accra	0302 208600	GA-504-9707
UNIVERSITY OF GHANA	P. O. Box 13119, Accra	0302 208600	GA-419-6620
A&C MALL	P. O. Box 13119, Accra	0302 208600	GA-412-0993
HEAD OFFICE BUSINESS UNITS			
NAME OF DEPARTMENT	**ADDRESS**	**PHONE NO**	GA-048-6249
CORPORATE BANKING	P. O. Box 13119, Accra	0302 208600	GA-048-6249
SME BANKING	P. O. Box 13119, Accra	0302 208600	GA-048-6249
GLOBAL TRANSACTION BANKING	P. O. Box 13119, Accra	0302 208600	GA-048-6249

Notes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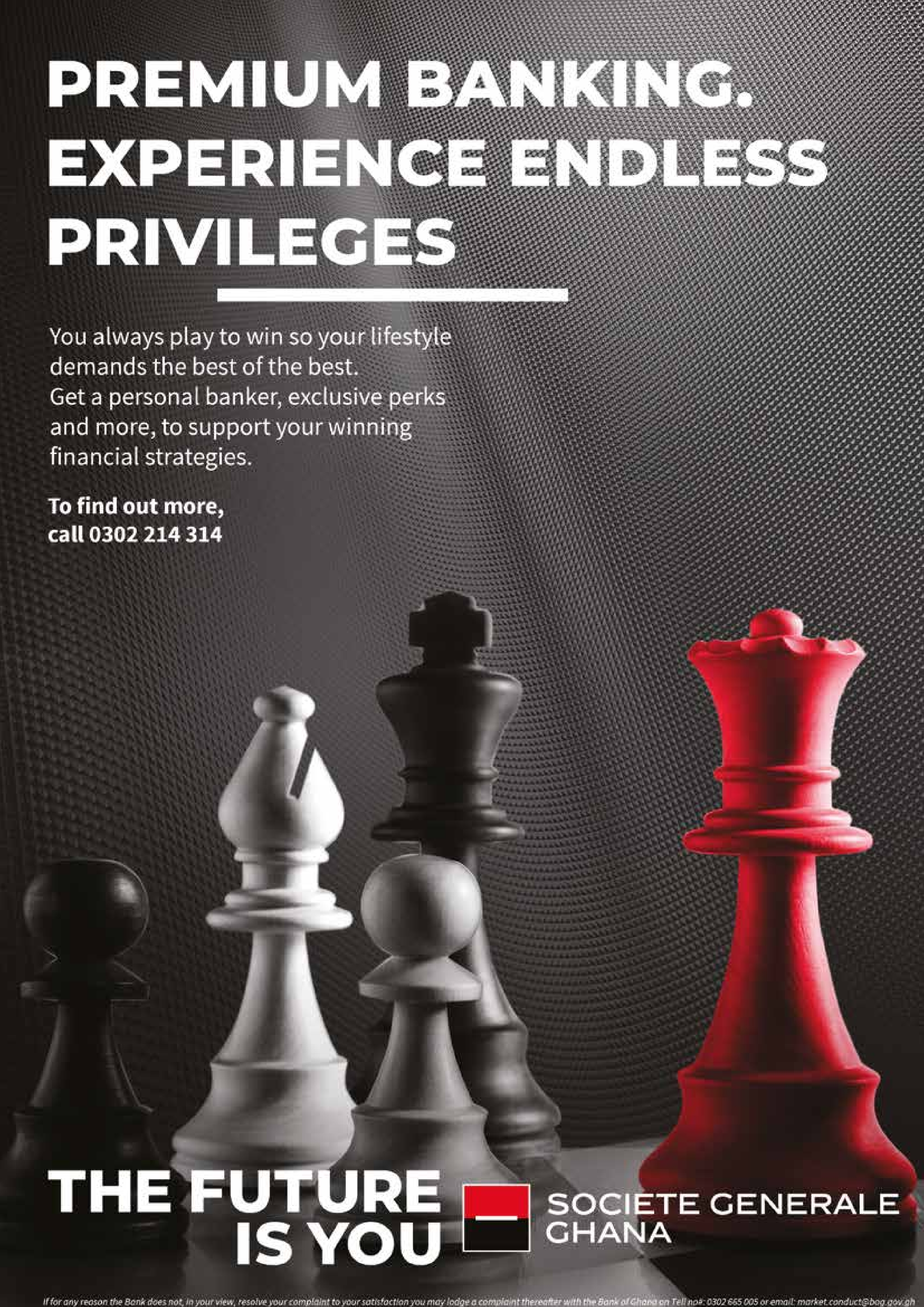
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