A BETTER WAY A BETTER AFRICA

ECOBANK GHANA PLC
ANNUAL REPORT 2023

Ecobank
The Pan African Bank

Ecobank Ghana Branches

ECOBANK ACCRA MAIN 2 Morocco Lane, off Independence Avenue (233) 0302-610400 (233) 0302-680866 ecobankgh@ecobank.com P.O. Box AN 16746 Accra-North	**ECOBANK A AND C SHOPPING MALL** No.783, Jungle Road, East Legon (233) 028 9109407/(233) 0302 518890/91 (233) 0302 518890 ecobankgh@ecobank.com P.O. BOX 17506, East Legon	**ECOBANK GH ELUBO** Western Region, (233) 03122-2054/95/83 (233) 03122-22567 ecobankgh@ecobank.com P.O. Box 48 Elubo	**ECOBANK LABONE** Block No. B56, Labone (Opposite Coffee Shop) (233) 0302-933509/768132 (233) 0302-768133 ecobankgh@ecobank.com PMB GPO, Accra	**ECOBANK EAST AIRPORT** Dede Plaza Near Action Chapel (233) 0302-81706/12 (233) 0302-817071 ecobankgh@ecobank.com
ECOBANK TEMA Town Center, Plot No. TC/MKT/A/76 (233) 0303-201053 - 6 (233) 0303-201057 ecobankgh@ecobank.com P.O. Box C0 3207 Tema	**ECOBANK LEGON** Off Nuguchi Road, Near Legon Mosque (233) 0302 519835/6 (233) 0302 519837 ecobankgh@ecobank.com P.O. Box PMB GPO, Accra	**ECOBANK GH WEIJA** Ground Floor, Aplaku Building, Old Weija Barrier, (Opposite NIB), Winneba Road. (233) 0302-853202/3 (233) 0302-853204 ecobankgh@ecobank.com PMB GPO, Accra	**ECOBANK TAMALE** Plot No. 84, Rice City Res. Area, Tamale North East Tamale/Bolgatanga Trunk Rd. (233) 03720-27933/34 (233) 03720-27936 ecobankgh@ecobank.com	**ECOBANK KWABENYA** Adjacent Champion Oil near Kwabenya Roundabout (233) 0302-409241 ecobankgh@ecobank.com
ECOBANK RING ROAD Fidelity House, 20 Ring Road Central PMB 43, Cantonments, Accra (233) 0302-244007/8/9 (233) 0302-237745 ecobankgh@ecobank.com PMB 43, Cantonment Accra	**ECOBANK TAKORADI** Plot No. 34 Axim Road, Harbour Commercial Area (233) 03120-23870/21250/21258 (233) 03120-21913 ecobankgh@ecobank.com PMB Takoradi	**ECOBANK GH ABREPO MAIN** Ike 'O' Plaza, opp. Neoplan Bus Assembly Plant 233 03220-83835 I 83836/ 83837 233 03220-83838 ecobankgh@ecobank.com PMB GPO Kumasi	**ECOBANK BURMA CAMP** Opposite Burma Camp Post Office (233) 0302-767414/ 767645 ecobankgh@ecobank.com	**ECOBANK OKPONGLO** Okponglo towards La Bawlashie Traffic Light, Legon P.O. Box 1862, Accra (233) 030-2922401/030-7008757 (233) 277-900125 ecobankgh@ecobank.com
ECOBANK TUDU Kimbu Road, (opp. Accra Central MTTU) (233) 03026-85587/6 85559 (233) 03026-685585 ecobankgh@ecobank.com P.O. Box 16746 Accra North	**ECOBANK MARKET CIRCLE TAKORADI** Adjacent Arvo Hotel P.O. Box TD 114, Takoradi Tel: (233) 312024158, 24190 Fax: (233) 312024173 ecobankgh@ecobank.com	**ECOBANK GH HAATSO** Ebenezer Plaza, Atomic Road, Haatso, North Legon Residential Area 0302-520834/ 520831 021-520833 ecobankgh@ecobank.com PMB GPO, Accra	**ECOBANK REINSURANCE HSE.** Reinsurance House 68 Kwame Nkrumah Avenue P.O. Box 1862 Accra (233) 0302-240049 (233) 0302-240056/9 ecobankgh@ecobank.com	**ECOBANK ASHAIMAN** Plot No. Ash/b58 Ashaiman Market (233) 03027051141 ecobankgh@ecobank.com
ECOBANK SILVER STAR TOWER Ground Floor, Silver Star Tower, Airport City (233) 0302-767404/ 778277 (233) 0302-787167 ecobankgh@ecobank.com PMB KA 92, Kotoka Int. Airport, Accra	**ECOBANK TARKWA** Ground Floor, SIC Office Complex, Tarkwa (233) 03123 22022/4 (233) 03123 22025 ecobankgh@ecobank.com P.O. Box 100 Tarkwa	**ECOBANK GH WESTLANDS** Ground Floor, building situated at Christain village opposite Golf Channell, Kisseman 0302-920849 ecobankgh@ecobank.com PMB GPO, Accra	**ECOBANK TESANO** Tesano, Off the Circle Nsawam Road P.O. Box 1862 Tesano (233) 0302-237317 (233) 0302-237 316 ecobankgh@ecobank.com	**ECOBANK TWIFO** Twifo Oil Palm Plantation Estate Twifo Praso 0332 195513 ecobankgh@ecobank.com
ECOBANK ABEKA LAPAZ Meacham House Annex, Mallam-Abeka Lapaz Highway (233) 0302-230061 (233) 0302-231736 ecobankgh@ecobank.com PMB, GPO, Accra	**ECOBANK OSU** Osu Oxford Street, adjacent SSNIT Hospital. (233) 0302 912782/4/5/6 (233) 0302 763120 ecobankgh@ecobank.com PMB CT 443, Cantonments, Accra	**ECOBANK TEMA MOTORWAY** Ground Floor, Gyau Towers Plot No.LI//5A/13A, Accra, Tema Light Industrial Area 0303-305510/11/12/14 • 0303-305513 ecobankgh@ecobank.com P.O. Box CO 3207 Tema	**ECOBANK HOSPITAL ROAD** Hospital Road, Com 11 Junction (233) 0303-300973 (233) 0303-308460 ecobankgh@ecobank.com	**ECOBANK BENSO** Benso oil Plam Plantation (BOPP) Estate, Adum-Benso, Western Region 0322 092185/032209 02055 ecobankgh@ecobank.com
ECOBANK MCCARTHY HILL Kaneshie-Mallam Highway, Lower Mccarthy Hill, Gbawe South (233) 0302-275375/0289 100691 ecobankgh@ecobank.com PMB, GPO, Accra	**ECOBANK KUMASI** Harper Rd, Prempeh II Roundabout, Adum, Kumasi PMB Kumasi (233) 03220 37804 (233) 03220 37333 ecobankgh@ecobank.com	**ECOBANK MADINA** Agrimat Building, Plot No.389 North Legon Residential Area (233) 0302 521876 (233) 0302 521878 ecobankgh@ecobank.com PMB GPO, Accra	**ECOBANK KASOA** Bawjiase Road (233) 0302-862887 (233) 0302-862886 ecobankgh@ecobank.com	**ECOBANK NEW ABEKA** H/N 88/27 Flat Top George Walker Bush Highway, Akweteman 0289559780 ecobankgh@ecobank.com
ECOBANK DANSOMAN Plot No. 1A, High Street, Dansoman Estate (233) 0302-326580/326582 (233) 0302-326595 ecobankgh@ecobank.com PMB, GPO, Accra	**ECOBANK KUMASI, ADUM** Oak Arcade, opposite Agyekum Building Adum, Kumasi (233) 03220-47948, 47959, 47969 (233) 03220-45872 ecobankgh@ecobank.com PMB GPO, Kumasi	**ECOBANK MILE 7 ACHIMOTA** Ground Floor, House No.ATA/39, New Achimota (233) 0302 416904/5 (233) 0302 413807 ecobankgh@ecobank.com PMB GPO, Accra	**ECOBANK KANTAMANTO** Tarzan House near Hotel De Horses (233) 0302-678243 (233) 0302-678246 ecobankgh@ecobank.com	**ECOBANK NEW ABIREM** No. 52 New Abirem Main Road (233) 0263-016719 ecobankgh@ecobank.com
ECOBANK SOUTH INDUSTRIAL AREA Old KBL Depot, near Agbogbloshie Market (233) 0302-670770, 670745, 670752 (233) 0302-670738 ecobankgh@ecobank.com PMB, GPO, Accra	**ECOBANK TEMA MALL** Ground Floor, Tema Shopping Mall, Heavy Industrial Area, Tema (233) 0305-305175,305182,305183 (233) 0305-22305174 ecobankgh@ecobank.com P.O. Box CO 3207, Tema	**ECOBANK KOTOBABI** Opp. Ayawaso Municipal Assembly Kotobabi-New Town Road, Accra, Ghana (233) 0302 250325/7 (233) 0302 250330 ecobankgh@ecobank.com PMB GPO, Accra	**ECOBANK MADINA CENTRAL** Old Road Taxi Rank Near Randy Pharmacy, Accra (233) 0302-513321/2 (233) 0302-513321 ecobankgh@ecobank.com	**ECOBANK ESIAMA** Opposite Sunny Corner Lodge, Esiama (233) 0504753270I 0504753267 ecobankgh@ecobank.com
ECOBANK ACCRA MALL Ground Floor, Accra International Mall Tetteh Quarshie Interchange, Accra (233) 0302-823053/4/5 (233) 0302-823056 ecobankgh@ecobank.com PMB GPO, Accra	**ECOBANK KENYASE** Newmont Bypass Road, Kenyasi Brong Ahafo Region (233) 024 2209099/03220 47034 (233) 03220 47034 ecobankgh@ecobank.com P.O. Box 91, Kenyasi	**ECOBANK BANTAMA** Ground and First Floors of building situated on Plot No.20, Bantama High Street Kumasi (233) 03220 49006 ecobankgh@ecobank.com PMB GPO, Kumasi	**ECOBANK SUAME** Suame - Offinso Road, Kumasi (233) 03220-44414 (233) 03220-30229 ecobankgh@ecobank.com	**ECOBANK DOME ST. JOHN'S AGENCY** Ground Floor, Twyford House, Accra Nsawam Road, St. Johns. (233) 0307010208 ecobankgh@ecobank.com
ECOBANK SPINTEX ROAD Hse, No. 56, Boatsona Highway Extension Spintex Road, Accra (233) 0302-815860 (233) 0302-815861 ecobankgh@ecobank.com P.O. Box SR 112, Tema	**ECOBANK LONG ROOM** Ghana Ports and Harbours Head Office, Long Room, Tema (233) 0303-202125/206789 (233) 0303-202125 ecobankgh@ecobank.com P.O. Box CO 3207, Tema	**ECOBANK STADIUM AMAKOM** Ground floor, former Edward Nassar Building Kumasi Sports Stadium (223) 03220-83841 (233) 03220 83844 ecobankgh@ecobank.com PMB GPO Kumasi	**ECOBANK SAKUMONO** Sakumono Estates Junction near the Traffic Light (233) 0303-413617 (233) 0302-41361/87 ecobankgh@ecobank.com	**ECOBANK BUDUBURAM** BuduburamB ranch P.O. Box1862, Accra (233) 233-30220184 ecobankgh@ecobank.com
ECOBANK ROMAN RIDGE Hse. No. C1222, Olusegun Obasanjo Highway (233) 0302-241883 (233) 0302-241889 ecobankgh@ecobank.com PMB, GPO, Accra	**ECOBANK TEMA COMM 6** Vertical Plaza, Hospital Road, Comm 6 (233) 0303 216605 (233) 0303 205822 ecobankgh@ecobank.com P.O. Box CO 3207, Tema	**ECOBANK TANOSO** First Floor of property on site with Petrol Filling Station, No. 6 Tanoso/Dekyemso Sunyani-Kumasi Highway (233) 03220-52043/52045/52056/52094 ecobankgh@ecobank.com PMB GPO Kumasi	**ECOBANK KWAME NKRUMAH AVE.** Ground Floor, Okofo House, Kwame Nkrumah Avenue Adabraka (233) 0302-244835 (233) 0302-254693 ecobankgh@ecobank.com	**ECOBANK DARKUMAN** Ground Floor, Ideal Hse. Darkuman Junc. Kaneshie-Mallam Highway (233) 0302-321950 (233) 0302-321940 ecobankgh@ecobank.com PMB, GPO, Accra
ECOBANK KNUST Commercial Area, KNUST, Kumasi (233) 03220 63051/2/3 (233) 03220 63050 ecobankgh@ecobank.com PMB, GPO, Kumasi	**ECOBANK SAFE BOND** Ground floor, Safe bond Car Park Building (233) 0302 200946/7 (233) 0302 200979 ecobankgh@ecobank.com P.O. Box CO 3207 Tema	**ECOBANK ASHTOWN EAST** Dr. Mensah Traffic Light, Kumasi (233) 03220-80552/6 (233) 03220-80699 ecobankgh@ecobank.com	**ECOBANK TAFO** Tafo Mampoteng Road, Tafo, Kumasi (233) 03220-40890 ecobankgh@ecobank.com PMB GPO, Kumasi	**ECOBANK SUNYANI** Plot No.5 Block B House No. B5/2 Sunyani Central (233) 03520-25498, 25495 (233) 03520-25490 ecobankgh@ecobank.com PMB Ecobank Sunyani
ECOBANK AFLAO Hse No. ASI-B-489 Aflao, Along Aflao Boarder Road (233) 03625-30890, 30893 (233) 03625-31028 ecobankgh@ecobank.com P.O. Box CO 3207 Tema	**ECOBANK KWASHIEMAN** Kwashieman Road, P.O. Box 1862, Accra (233)0302-7008751 ecobankgh@ecobank.com			

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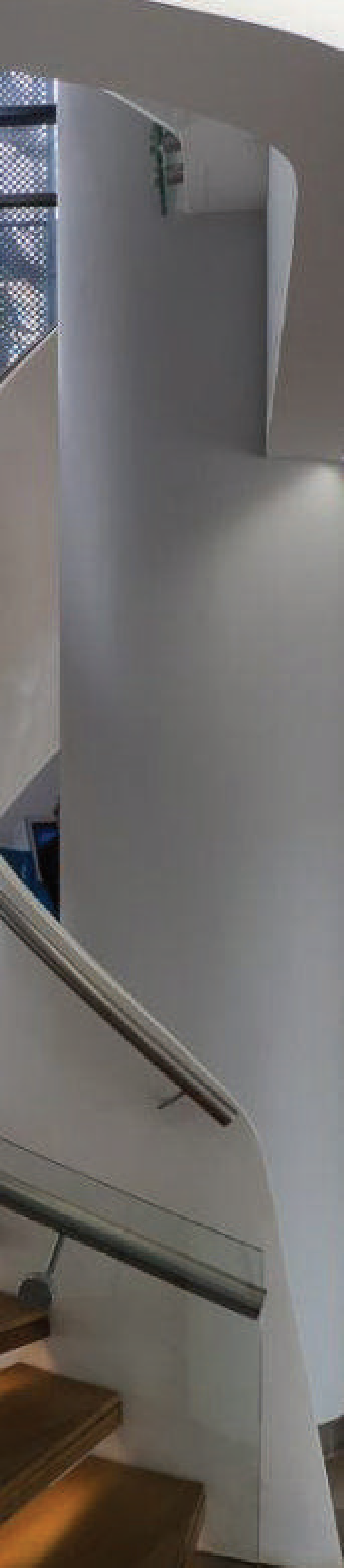

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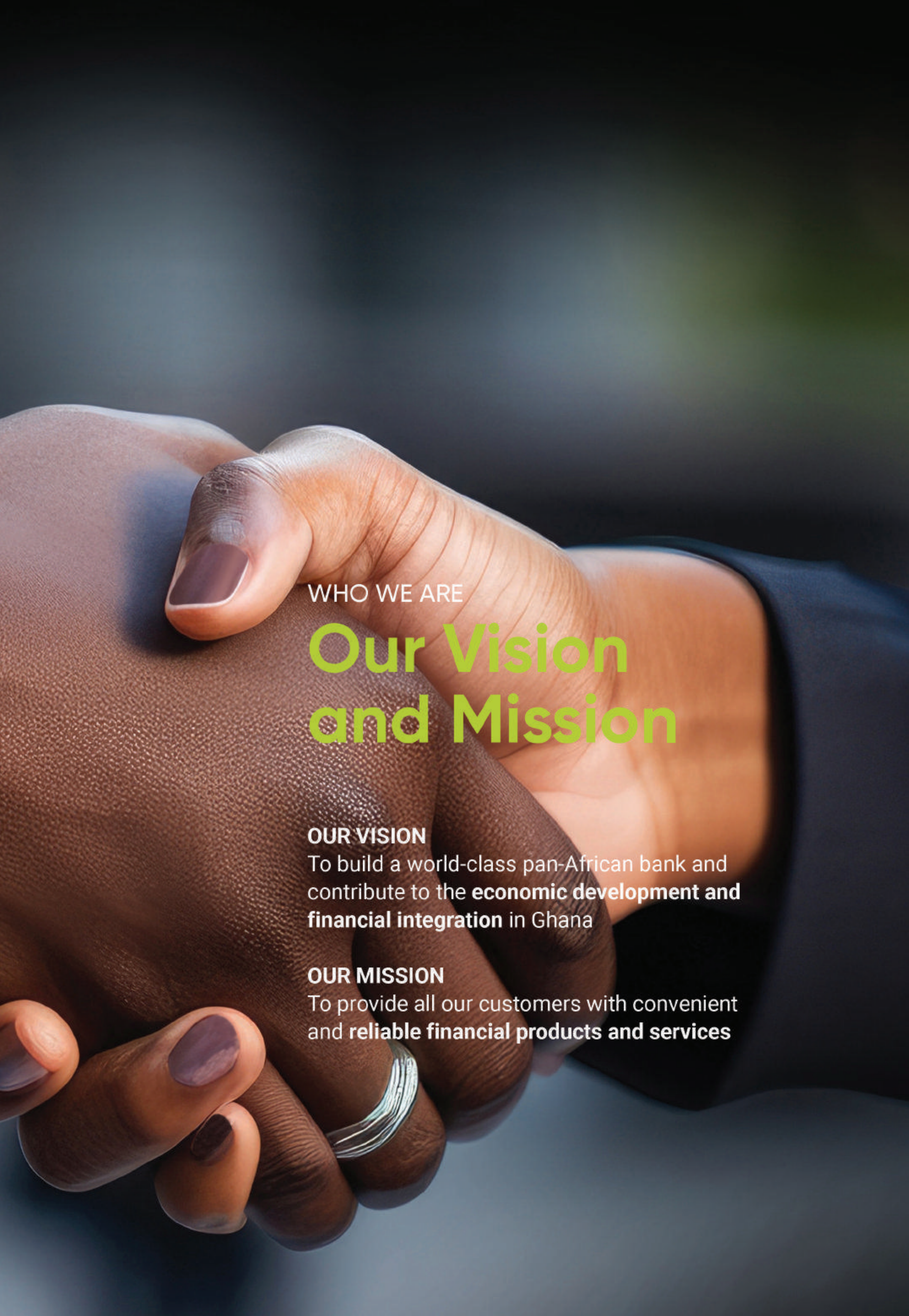


WHO WE ARE

Our Vision and Mission

OUR VISION

To build a world-class pan-African bank and contribute to the **economic development and financial integration** in Ghana

OUR MISSION

To provide all our customers with convenient and **reliable financial products and services**

ECOBANK VALUES

These values define what Ecobank stands for and are expected to shape the behaviours of all employees in every engagement that they have with customers, colleagues, communities, shareholders, regulators and all other stakeholders.

RACEIT

RESPECT · ACCOUNTABILITY · CUSTOMER CENTRICITY · EXCELLENCE · INTEGRITY · TEAMWORK

RESPECT

I respect every Ecobanker and all our stakeholders.

I respect and value other people's opinions.

I create an environment where Africa's talents can deliver its best work.

I value and respect the communities in which I live and work.

ACCOUNTABILITY

I do my work and own the outcomes.

I accept responsibility.

I am not afraid to be honest, own up to my mistakes and stand corrected.

I speak up and encourage others to do the same.

CUSTOMER CENTRICITY

I strive to exceed our customers' expectations.

I am empathetic.

I am proactive and responsive.

I place customers at the centre of everything I do.

I build positive and trusted relationships with our customers.

EXCELLENCE

I go the extra mile.

I strive for excellence.

I am resilient.

I keep learning and delivering results.

I innovate and provide solutions.

INTEGRITY

I preserve my integrity.

I do what I say I will do.

I am transparent, honest and trustworthy.

TEAMWORK

I value teamwork and collaboration in making a positive difference.

I win with others and not alone.

I support other Ecobankers.

OUR DIVERSIFIED BUSINESS MODEL

Manufacture financial products and services centrally and distribute them locally

Corporate and Investment Bank

Products

- Fixed income, currencies and commodities (FICC)
- Cash management
- Trade finance and services
- Loans and liquidity
- Securities, Wealth and Asset Management (SWAM)
- Investment banking

Customers

- Governments
- Regional & global corporations
- Financial institutions
- International organisations

Commercial Bank

Products

- Working capital financing
- Asset financing
- Gender financing
- Business prepaid cards
- Digital products and collections
- Trade finance

Customers

- SMEs
- Local corporates
- Local NGOs
- Local government agencies
- Faith-based organisations
- Educational institutions
- Healthcare institutions

Consumer Bank

Products

- Liability products
- Loans
- Payments
- Remittances
- Cards (pre-paid, debit, credit)
- Bancassurance
- Wealth solutions

Customers

- Affluent
- Emerging Affluent
- Mass Market
- Microfinance

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (AGM) of Ecobank Ghana PLC will be held in person as well as virtually and streamed live on https://www.ecobankghAGM.com from the Head Office of Ecobank Ghana PLC, 2 Morocco Lane, Off Independence Avenue, Ministerial Area, Accra on the 26th day of April, 2024 at 10.30am to transact the following business of the company.

AGENDA (Ordinary Business)

1. **TO CONSIDER AND ADOPT** the Statement of Accounts of the Company for the year ended the 31st day of December, 2023 together with the Reports of the Directors and Auditors thereon.
2. **TO RATIFY** the appointment of Directors.
3. **TO APPOINT** Auditors
4. **TO AUTHORISE** the Directors to fix the remuneration of the Auditors.

DATED AT ACCRA THIS 22ND DAY OF JANUARY, 2024.
BY ORDER OF THE BOARD
AWURAA ABENA ASAFO-BOAKYE (MRS.)
(COMPANY SECRETARY)

NOTES

A. HYBRID AGM

1. Attendance and participation by all members and/or their proxies in the Annual General Meeting of the company this year, may be either in-person or virtual/by electronic means (online participation).

2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his/her/its stead in-person or via electronic means (online participation). A proxy need not be a member of the Company.

3. The appointment of a proxy will not prevent a member from subsequently attending and voting at the meeting in person or via electronic means (online participation). The proxy appointment shall be deemed revoked in this event.

4. A proxy form can be downloaded from the website of the Company (www.ecobank.com) and should be completed and sent via email to shareregistry@gcb.com.gh or deposited with the Registrars at GCB Bank PLC, Registrar's Office, No. 2 Thorpe Road, P.O. Box 134, Accra no later than 3.00pm on 24th April, 2024.

B. ACCESSING, PARTICIPATING AND VOTING AT THE AGM - ONLINE PARTICIPATION

1. A unique token number shall be sent to all members by email, SMS or by post from 10th April, 2024 to allow for access to the virtual meeting platform: https://www.ecobankghAGM.com

2. Members who do not receive their unique token numbers may, between 10th April, 2024 to 24th April, 2024, contact the Registrars of the Company at GCB Bank PLC, Registrar's Office, No. 2 Thorpe Road, High Street, Accra, on telephone number 0302 668712 / 0244-338508 / 0244-358514 / 0244-318079 or via email to shareregistry@gcb.com.gh to obtain their unique token numbers.

3. Members shall be required to visit https://www.ecobankghAGM.com on 26th April, 2024 and input their unique token number in order to be able gain access and participate in the virtual AGM.

4. Members who do not submit proxy forms to the Registrar of the Company before the AGM can vote via electronic means using their unique token numbers.

5. Members are encouraged to submit their questions ahead of the AGM via email to EGHAGM@ecobank.com

C. FURTHER INFORMATION

The Annual Report of the Company and further information on accessing, participating and voting at the AGM are available at

https://www.ecobankghAGM.com

FOR FURTHER INFORMATION, PLEASE CONTACT THE REGISTRAR

GCB Share Registry
GCB Bank PLC
No. 2 Thorpe Road,
P. O. Box 134
Accra

Telephone:
0302 668 712
0244 338 508
0244 358 514
0244 318 079

Email:
shareregistry@gcb.com.gh

FINANCIAL HIGHLIGHTS

	Group		Bank	
	2023	2022	**2023**	2022
	GH¢'000	GH¢'000	**GH¢'000**	GH¢'000
At 31 December				
Total assets	**33,662,664**	25,908,025	**33,520,636**	25,774,085
Loans and advances to customers	**9,517,709**	8,866,042	**9,444,131**	8,802,239
Customer deposits	**26,338,790**	20,423,861	**25,642,117**	19,590,418
Shareholders' equity	**3,662,068**	2,705,795	**3,603,681**	2,660,628
For the year ended 31 December				
Net operating income	**5,325,207**	2,968,058	**5,246,397**	2,893,512
Net income/(loss) before tax	**985,240**	(27,218)	**965,978**	(53,093)
Net income/(loss) after tax	**632,699**	(15,304)	**619,479**	(33,545)
Dividend per share (Ghana pesewas)	-	-	-	-
Earnings per share (Ghana pesewas):				
- Basic	**196**	(5)	**192**	(10)
- Diluted	**196**	(5)	**192**	(10)
Return on average equity (%)	**20%**	(1%)	**20%**	(1%)
Return on average assets (%)	**2.1%**	(0.1%)	**2.1%**	(0.2%)
At 31 December				
Number of staff	**1,527**	1,578	**1,230**	1,272
Number of branches	**81**	81	**65**	65

CORPORATE BANKING

The Ecobank Corporate Bank business is run on a time-tested relationship banking model which ensures that our clients have access to at least three (3) key contacts at any point in time for superior service delivery. The corporate banking architecture is fully integrated with Cash Management & Trade Finance, Transaction banking, Investment banking and Treasury business streams and therefore provides us with strong capabilities to roll-out customized and comprehensive financial solutions which cater to a broad spectrum of clientele.

We have categorized our clientele into five (5) distinct segments to ensure the development of competencies in these segments, allowing for deeper appreciation of our client's business and operating environments within the broader economic landscape. This has served us well over the years and won the admiration our clients for the value that it brings to their businesses.

Our strategy is one that focuses principally on the customer, resulting in the cultivation of a loyal client base, development of a diversified business and an enhanced relevance in the market. This has yielded very positive results including the award as Ghana's Market Leader for 2023 (Euromoney).

The broad categorizations of our corporate customers are summarized below:

- **Global Corporates:** Serving global conglomerates and multinational corporations with parents headquartered outside of Middle Africa.

- **Regional Corporates:** Caters to businesses with regional presence and headquartered in Middle Africa with operations coordinated regionally.

- **Public Sector:** Encompasses Parastatals (SOEs), Ministries, Departments and Agencies (MDAs) of Government.

- **Financial Institutions and International Organizations:** Provides all-round banking solutions to financial institutions, multinational & bilateral Institutions, embassies, and international NGOs.

- **High Local Corporates:** Offers tailored financial solutions to local corporates with annual turnover exceeding $20million.

The year under review was turbulent as the full effect of the Domestic Debt Exchange Program (DDEP) was manifested through the weakening of the Cedi, sovereign downgrades, inflationary pressures, high interest rates, among others. In response to the economic environment, some correspondent banks restricted the use of our existing lines, impeding trade facilitation. The above notwithstanding, Corporate Bank's performance was resilient and auspicious.

OUR MARKET OFFERING

Our route to market is hinged on four (4) key products namely Loans & Liquidity, Cash Management, Trade and Fixed Income, Currencies & Commodities (FICC).

- **Loans & Liquidity** – We nurture and support the growth of our corporate clients through a variety of customized short and medium to long-term funding options: working capital loans, asset financing, business expansion, and development loans, borrowing base loans, letters of credit among others. Our strength lies in our ability to structure and co-create transactions from scratch together with our customers once the opportunity is identified. We leverage our understanding of the operating environment and the client's business to structure varied credit facilities that are fit-for-purpose to meet business needs.

  In the year under review, our Loans and Liquidity product recorded revenues of GHS249m compared to GHS135m in the prior year, driven growth in our asset base and elevated interest rates that persisted economy-wide.

- **Cash Management** – Cash Management has been a focal point of the Bank's strategy to ensure our corporate clients optimize their funds. Standardization of our various solutions has never been an option, resulting in bespoke Collections, Payments and Liquidity Management Solutions deployed with the highest Global Standards to guarantee that we live up to the reputation we have carved for ourselves over the years.

  Collaborating with our partners, we offer tailored solutions to address the specific needs of our customers' business operations with an emphasis on achieving process visibility, speed, control and most essentially cost reduction in Treasury Management. Capitalizing on the Global digitization agenda, we leverage on our varied and robust digital platforms which include Ecobank OMNIPlus, Ecobank OMNILite (Internet Banking platforms), Bank Collect, SWIFT for Corporates, Bill payments on the Ecobank Mobile App and EcobankPay. The introduction of our all-in-One Smart POS has proven to be a game changer in providing merchant services. Our ability to seamlessly integrate our Banking systems with customers' operating platforms ensure all banking activities are initiated and completed from the comfort of our customers' offices and even on-the-go. This has undoubtedly, resulted in the Bank being a solution provider on all fronts.

Our Cash Management products continue to drive revenue performance, accounting for 62% of total Corporate Bank revenue in 2023. Product revenue closed at GHS938m, up 70% y-o-y driven by growth in deposit volumes and transactions.

- **Trade Finance** – Our team of trade experts is specialized in providing technical support in structuring complex trade deals, advisory services and originating bridge financing solutions. Our electronic trade platforms namely e-Trade, Trade Flux and Finance Supply Chain provide speed-to-market support to our clients. Leveraging our wide footprints in the sub-region and Africa, we provide unparalleled advantage in the Regional Trade business for both traditional trade products (i.e., Letters of Credit, Bills for Collections and Guarantees) as well as non-traditional and innovative solutions.

  Revenue generated from Trade finance in 2023 amounted to GHS138m, compared to GHS66m the year before. Product revenue outturn was anchored on our Single Market Trade Hub strategy, aimed at helping our clients to take advantage of opportunities under the African Continental Free Trade Area (AfCFTA).

- **Fixed Income, Currencies & Commodities (FICC)** – Our Treasury provides integrated solutions tailored to meet the foreign currency needs of our corporate clients within Africa and beyond. The team is specialized in offering timely conversions and liquidity management solutions.

  Despite the tight foreign exchange environment and volatility that persisted for the most part of the year under review, revenue from client sales improved 30% y-o-y to GHS166m.

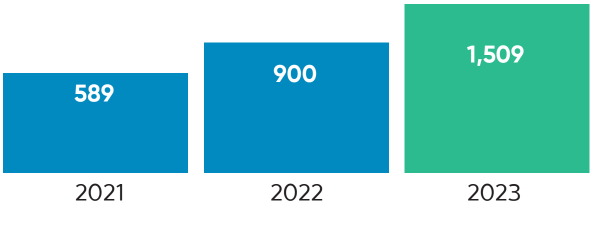
2023 KEY FINANCIAL PERFORMANCE SNAPSHOTS

Corporate Bank delivered revenue of GHS1.5bn in 2023 as against revenue of GHS900m in 2022, marking a strong growth of 68% y-o-y. Revenue performance for the year under review was anchored on growth in all our major product lines. Net-interest income improved by about 81% y-o-y (GHS505m) in response to elevated interest rates that persisted in the year under review.

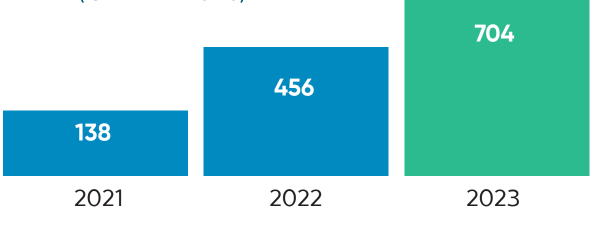
Profit before Tax (PBT) for the year closed at GHS704m compared to GHS456 the year before. Performance on PBT was largely reflective of the growth in revenue and strong asset recovery, muting the impact of significant increase in impairments. Though operating expenses went up by 12% y-o-y, the increase was far less than the average inflation that persisted in the year under review, a positive testament to cost containment measures deployed in the period under review.

Our deposit base grew by 21% y-o-y (GHS1.5bn) to GHS8.4bn in 2023, showing a remarkable vote of confidence by our clients in our ability to safeguard their deposits and other investments. Net loans and advances to clients also grew by 3.5% y-o-y to GHS6.0bn as our commitment to support our clients through business lending remained resolute despite the increase in credit risk as was reflected in elevated interest rates during the year under review.

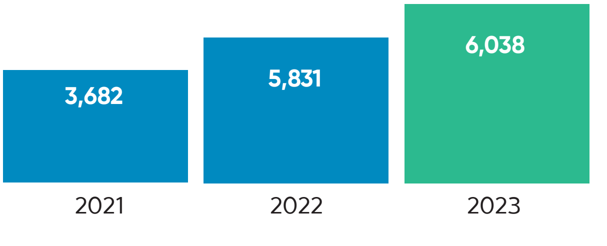
REVENUE (GH¢' millions)



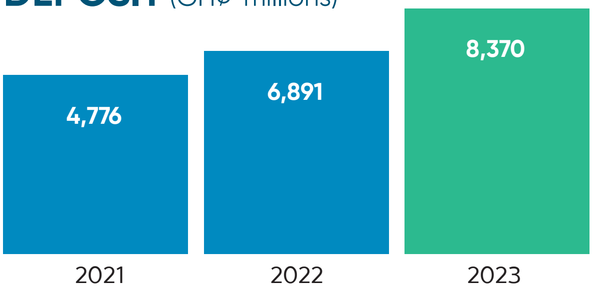
PBT (GH¢' millions)



LOANS (GH¢' millions)



DEPOSIT (GH¢' millions)



THE TREASURY BUSINESS

Treasury provides a core capability that allows the various business segments to deepen banking relationships with clients while also generating sustainable income and liquidity in a capital efficient manner. This is made possible through the support of the various units under the Treasury Business.

The Treasury Business of Ecobank Ghana PLC is categorized under four business lines namely Client sales, Trading, Balance Sheet Management or Asset and Liability Management (ALM) and Custody Services.

Client sales and Trading fall largely under the broad business lines of Fixed Income and Currencies (FICC). The FICC and ALM functions mainly provide support by offering integrated and tailor-made solutions to meet the investment, financial and foreign exchange needs of the Bank's client portfolio across the African continent and beyond.

The Custody desk is well resourced to provide both domestic and cross border processing of trades in securities and safekeeping. All these services are also made possible due to the cross selling of the Banks other products and services and through the support of other businesses in the Corporate Banking unit. The Ecobank Ghana PLC FICC business continues to be a reputable force in Ghana's currency market with a strong focus on meeting broader coverage demands in the banking industry.

The focus is to strategically concentrate on brand growth through increased visibility within the Treasury markets space and providing more structured solutions to meet the needs of our customers. This notwithstanding, the impact of the Domestic Debt Exchange is expected to continue to weight on Treasury performance, in the near term.

STRATEGIC PROGRESS

In 2023, we had rigorous engagements in line with our goal of significantly improving our returns profile through the reduction of our Risk-Weighted Assets (RWA). In 2024, we will continue to prudently mandate downwards our RWA regarding the existing portfolio while focusing more of capital light transactions going forward.

We continue to deepen our engagement with the Chinese community and seek to improve on our share of the Chinese business. We continue to nurture a strong team of Chinese speaking staff to anchor the Chinese strategy and build a formidable Chinese business for the future.

We have retained a market leading position in the digitalization of our services. We continue to embark on deep engagement with our clients to ensure that late adopters feel comfortable to be onboarded unto our digital platforms. We will continue to engage both old and new customers to ensure that all those with the capacity to use digital channels are duly supported to do so. Our focus is to ensure that all customers enjoy the seamlessness and value addition associated with the use of our digital channels.

In line with the changes in the market environment, we are focusing on risk sharing with other partner banks. We are working through our investment banking team to embark on syndications by using their superior skills in deal distribution and execution.

OUTLOOK FOR 2024

We are firmly on track to achieve our set targets for 2024 and beyond, focusing on growth, transformation and returns. While we are very proud of our financial performance in 2023 amid the turbulent economic conditions, we are even more excited about the opportunities and possibilities ahead. In 2024, we will continue to develop new avenues of value creation, riding on the expected rebound of the Ghanaian economy under the supervision of the fund program with the International Monetary Fund (IMF). We will leverage on our competent and energized team, to harness the immense opportunities identified within the market. We have experienced several election cycles and have learnt the ropes well enough to enable us to make the most of the season.

Our revenue outlook remains positive based on the solid foundations laid and the prospective business opportunities identified. Our customers will continue to remain at the centre of our operations in 2024. We have devised various avenues for engaging and keeping constant close contact with our clients. We are confident that our proven skills set, bouquet of customizable products, pure breed relationship management and continued innovation will continue to put us ahead of our peers in 2024 and beyond. Overall, we will seek to offer our clients, A Better Way to do Business!

COMMERCIAL BANKING

2023 – Adapting for Sustainable Growth

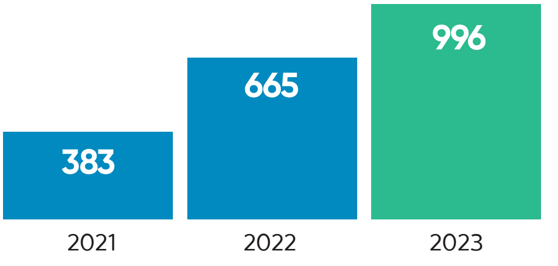
2023 was a unique year in view of the extent to which SMEs were required to adapt, remain resilient and sustain their businesses. Faced with a fluctuating economy, SMEs needed to be agile in responding to the changing demands of the market. As many businesses contended with the payback of Covid recovery schemes, the year began with the effects of the Domestic Debt Exchange Program (DDEP). This was compounded by inflation reaching an all-time high and increased cost of borrowing occasioned by recurrent upticks in the Ghana Reference Rate (GRR), all of which ultimately led to limiting SMEs' ability to access finance. Businesses that wanted to grow, needed to do so while still staying in control of their day-to-day finances.

Within this context, the Commercial Banking (CMB) business segment remained resilient as it focused on realigning the strategies of its sub-units (Small and Medium Enterprises - SME, Medium Local Corporate – LCM, and Non-Governmental Public Sector - PSC) to the needs of customers in the key growth sectors. This was done through the deployment of innovative solutions and the provision of support for businesses transitioning into green and eco-friendly enterprises, thereby contributing to the sustainable growth of its revenues, balance sheet, and profitability.

Financial Highlights Full Year 2023

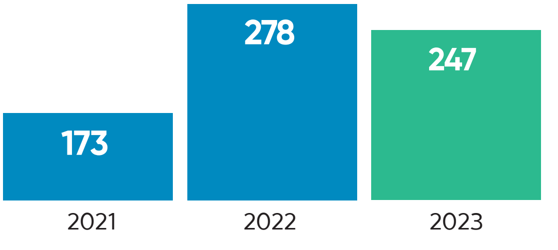
Commercial banking (CMB) revenues surged to GHS996 million, marking a 50% increase compared to the previous year. This growth was propelled by a 72% rise in net interest income (NII) and a 10% increase in non-interest revenue. The significant boost in NII was attributed to higher interest rates, Liability NRFF, strategic business initiatives such as balance sheet optimization and deposit pricing management, as well as the expansion of relationships with both existing and new clients across various segments.

REVENUE (GH¢' millions)



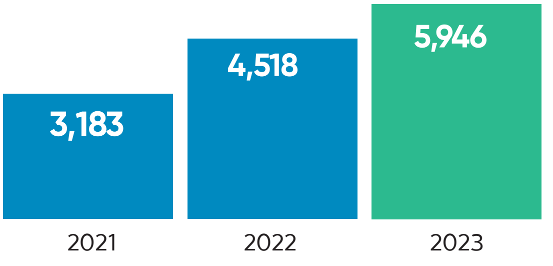
PBT of GHS 247 million was a decline 11% from previous year largely steered by higher impairments and operating expenses despite an elevated topline.

PBT (GH¢' millions)



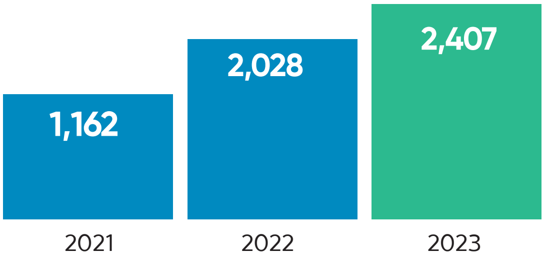
Total customer deposits reached GHS 5.9 billion, marking a 32% increase compared to the same period in 2022. This growth was primarily fueled by significant increases across all deposit lines, notably highlighted by an 87% low-cost deposit composition. This figure underscores the efficiency of the collection solutions implemented by the business for its customers.

DEPOSIT (GH¢' millions)



Commercial banking significantly expanded its support to customers, resulting in a 19% increase compared to the prior year. This growth culminated in an asset size of GHc2.4 billion. Despite paydowns in the year 2023.

LOANS (GH¢' millions)



CMB's success highlights the effective sales strategies employed by its staff and the results-oriented culture fostered by its management team. The business exhibited resilience despite the challenging macroeconomic landscape marked by ongoing uncertainty. We maintain confidence in our long-term strategic growth plan and are dedicated to reaching our targets for 2024.

2023 In Retrospect

Ghana experienced significant macroeconomic challenges due to existing imbalances and external shocks. Increased financing needs and tightened financing conditions exacerbated debt sustainability concerns, effectively restricting the country's access to the international market. To help restore macroeconomic stability, the Government of Ghana in 2023 secured a three-year IMF Extended Credit Facility (ECF) program of about US$ 3billion and embarked on a comprehensive debt restructuring exercise. Further, the Government completed a Domestic Debt Exchange Programme (DDEP), suspended external debt repayments, and sought official debt restructuring under the Common Framework. By November 2023, Ghana's economy had begun to show signs of recovery. Revenue increased to 15.8% of GDP and GDP Growth rebounded strongly averaging 3.2% in the first three quarters compared to 3.0% in same period in 2022 mainly on the back of average growth in the Services (6.3%) and Agriculture (6.2%) Sectors. Inflation fell significantly to 26.4% in November 2023, whiles the Ghana Reference Rate and the Monetary Policy rate stood at 32.16% and 30% respectively.

Nonetheless, uncertainty driven by macroeconomic concerns, geopolitical challenges, and enhanced climate discourses, continues to be front of mind for many business owners making it more important than ever for banks to support local businesses. In view of this, CMB implemented strategic initiatives and interventions which were targeted at addressing the needs of businesses in sectors such as Agriculture, Health, Mining, Education, Transport, and Trade, and supporting their growth. Additionally, the Segment took deliberate steps in helping these businesses to make a positive impact on reducing their carbon footprint, noting that this is not only good for the planet, but it also provides tangible benefits for businesses such as reducing cost, improving brand recognition, and enhancing investment opportunities and competitive differentiation. Highlights of some interventions executed by CMB are outlined below.

1. Participating Financial Institution (PFI) for Development Bank Ghana (DBG) and Outgrower Value Chain Fund (OVCF):

To help drive growth of key sectors towards national development, CMB partnered with DBG and OVCF to provide long-term funding at concessionary interest rates and contribute to positive SDG outcomes for businesses within the Agriculture, Health, Manufacturing, Education, and ICT sectors.

a) DBG: In response to the economic challenges, the Board of DBG approved for the Bank to set up a special credit program with GHS500 million to support businesses in the Agribusiness value chain at a preferential rate over the next five years. The credit program, named DBG Emergency Economic Program (DEEP), seeks to improve food security, reduce imports, accelerate an import substitution agenda, and sustain or increase jobs in the agricultural value chain. DEEP targeted four key agribusiness segments with the highest potential investment feasibility namely, Rice, Maize, Soya, and Poultry. Under this initiative, CMB successfully disbursed GHS90 million for a period of 8 years to a maize and soya processor and to out growers within the Ashanti, Savannah, Northern, and Eastern regions of Ghana.

b) OVCF: The primary objective of the fund (established by the Government of Ghana and funded by KfW) is to provide medium to long term loans to commercially viable value chains, focusing particularly on out grower schemes. The development of small-scale commercial farms requires adequate linkages to markets and the management of production in such a way that the produce meets the requirements of these markets. CMB in 2023 secured and deployed GHS50 million from the fund to finance CAPEX and working capital needs for an Agri-SME and its out growers in the Bono, Bono East, and Ashanti regions over a period of 7 years.

2. Ecobank Entrepreneurship Clinics - Development of Young Entrepreneurs

Entrepreneurship development is fundamental to the mission of Ecobank and is crucial to fostering economic growth. CMB plays a vital role in line with this vision of providing financial assistance, guidance, and support to young entrepreneurs by:

a) acting as a reliable source of funding for entrepreneurs by offering various loan tailored to meet their specific business needs,

b) providing capital for expanding their operations, procuring equipment, and investing in research and development,

c) enabling entrepreneurs to bring their innovative ideas to life and contributing to job creation and economic development.

CMB during the year under review commenced the “Ecobank Entrepreneurship Clinics” for Tertiary Institutions. The maiden simulation was held with some first-year students of Ashesi University who were completing a course entitled “Foundations of Design and Entrepreneurship” which takes them through the venture-building process. As a member of the simulation review panel, the CMB team engaged eight (8) teams comprising forty-five (45) students with various venture models, who presented their "business loan" applications and financials for review. The teams were given feedback on how they could improve upon their propositions if rejected and were provided with alternatives for product offerings or services to enable them obtain a panel approval in future simulations.

3. Supporting SMEs Transition to Green Economy

Acknowledging the sustainable investment potential of the SME sector in Ghana, CMB continues to leverage the sector to upscale investments in climate actions in Ghana. The Segment envisions to work collaboratively with the SME sector in strategic areas including deployment of Renewable Energy and Energy Efficiency systems (including rooftop solar PV, solar-powered cell sites, and solar home systems); climate-smart agriculture technologies (such as drought early-warning systems, solar irrigation systems, and drought-tolerant plant varieties); low-emission transportation facilities (such as e-mobility); green retrofits and infrastructure and sustainable water security systems. In line with this focus, CMB in 2023 rolled out the “Renewable Energy Finance Series”. Two sessions were held: the first in Quarter 1 focused on Solar Energy and the second in Quarter 3 on e-mobility. By means of these events, over 300 SMEs were sensitized on the financing opportunities and technological innovations within the said areas. Feedback from participants confirms that the series is helping overcome prevailing hurdles impeding the involvement of and investment by the SME sector in the ongoing global climate action initiative.

4. Collaborating with the Global Green Growth Institute (GGGI)

GGCI and CMB signed an agreement during the year to jointly sensitize and build capacity of SMEs in Ghana on climate finance with the aim of enhancing their ability to access, manage, and effectively utilize climate finance for sustainable projects and initiatives. The maiden workshop was held in October 2023 under the theme “Roadmap to build bankable projects for climate resource mobilization in Ghana”. The objective of this workshop was to enhance Ghanaian SMEs' capacity and equip them with information and tools that will assist them in developing bankable project pipelines and prepare project concepts to access suitable climate finance resources. More specifically, it led to the following positive outcomes:

a) Identification and selection of key partners for the concept notes development, including the most suitable entity with emphasis on gender balance.

b) Key national stakeholders were engaged to better understand Ghana's priorities, issues, and opportunities regarding climate change.

c) Trained selected local key stakeholders to understand key success factors for climate finance project pipeline development, with a minimum of 40% of women and youth participation.

CONSUMER BANKING

INTRODUCTION:

Consumer banking is focused on providing the needed support to all our cherished customers by empowering them to achieve their financial goals through our offering of relevant solutions, tailored to their individual needs. Over the years, providing convenient banking has been a critical factor for Consumer Banking, however in 2023 there was even greater focus on convenient banking. This underpins our insistence on providing top-quality services, products and customer-centric solutions that empower our clients to achieve their financial goals of which financial independence remains key.

We continue to offer a broad range of solutions through products and channels, specifically designed to cater for the needs of the individual clientele within the established customer segments and to offer our devoted clients, convenience, flexibility, and value. Our range of products and channels include:

- Liability Products – (Current Accounts, Savings Accounts, Term deposits)
- Personal Loans
- Xpressloan (Microloans)
- Mortgages (Local and Diaspora)
- Credit Cards
- Remittances
- Bancassurance
- Xpress Points (Agency Banking)
- Payments & Digital services
    - Ecobank Mobile App | USSD -*770# | Rafiki - Chatbot
    - Ecobank Online
    - ATMs

PERFORMANCE HIGHLIGHT:

Consumer Banking in 2023 delivered a remarkable financial performance generating revenue of GHS 1.6bn, up GHS423m compared with 2022. Net-interest income experienced an impressive annual growth of 43% driven by sustained balance sheet growth amidst increased interest rates.

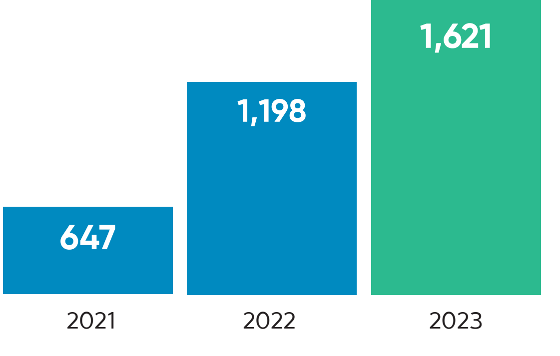
Underlying profit before tax grew 42% on 2022 performance to GHS1bn, benefiting from curtailed net impairments (down 45%) and sustained cost discipline.

Against an uncertain economic outlook, the strength of our balance sheet and the quality of our loan and deposit base allowed us to continue lending responsibly while helping our customers to navigate the economic environment. Consumer deposits rose GHS3bn (33%) from GHS9bn the year before to GHS 12bn with growth balanced across all the segments of the business while net lending balances increased by GHS66m (7%) to GHS1.1bn.

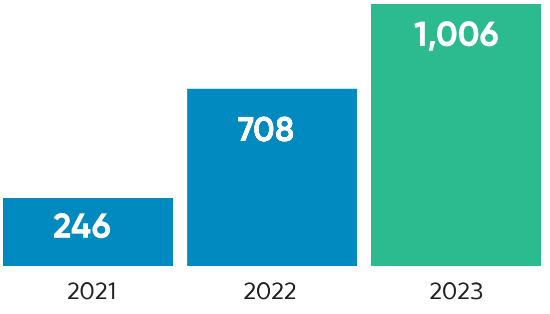
The Consumer Banking business played a significant role in the bank's overall performance, contributing 30% to the total bank revenue and accounting for 46% of the total bank deposits, strengthening our position as the largest business unit of the Bank.

Against a volatile economic backdrop, we continue to demonstrate the strength and resilience of our business, delivering a strong financial performance while building closer relationships that better serve our customers at every stage of their lives.

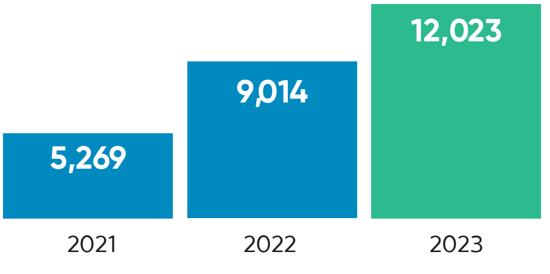
REVENUE (GH¢' millions)



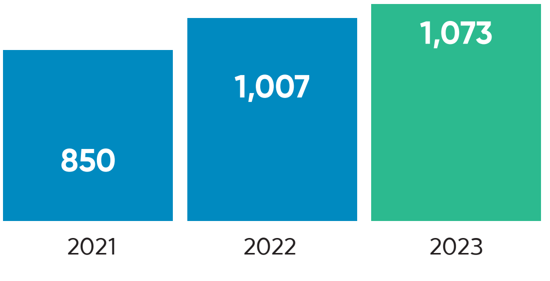
PBT (GH¢' millions)



DEPOSITS (GH¢' millions)



NET LOANS (GH¢' millions)



DIGITALIZATION: SUSTAINING THE TRANSFORMATION OF BANKING SERVICES IN THE DIGITAL AGE

Our digital transformation agenda continues to be key among our priorities in Consumer Banking. Several enhancements have been done on all our digital channels to improve security, create additional value and enhance the user experience. The Ecobank mobile app continued to be the most utilized distribution channel for all Ecobank products with over 570,000 active users.

Our enhanced Ecobank Online platform has also been handy in providing our customers options when high volume transactions are involved. The platform is also host to the new digital Term deposit solution deployed to allow our cherished customers to have readily access to competitive investment options for their funds.

Our earlier work to upgrade our USSD channel *770# to provide smooth and uninterrupted banking services continues to pay off, creating reliable alternative to customers without access to internet data in accessing digital financial services. The upgrade enabled us to roll out a new Salary Advance solution for all our customers with our target market. The years ahead should see us extend this solution to other segments within the client portfolio.

DEEPENING FINANCIAL INCLUSION AND ACCESS TO FINANCIAL SERVICES

Consumer Banking has been on a drive to broaden the accessibility of financial services especially to the unbanked and the underbanked population. Key to this strategy has been Agency Banking and our Mass Market offering where we have been active with our tiered KYC accounts and digital solutions.

Agency Banking: In 2023, Ecobank's agency banking initiatives were to substantially expand our Agent base, increase our active numbers, add-on additional services and drive awareness and utilization through various marketing and partnered activities to sustain our core mandate of bringing convenience to our customers as well as fostering financial inclusion. To this end, we launched various strategic partnerships with GhanaPost, I-zone and eBanc in addition to our existing partnership with Melcom Ghana to increase accessibility and boost customer engagement.

We also introduced the Interbank payments at the XpressPoint, On & Off-us card withdrawals on Agents POS to augment the banks ATMs as well as Funeral and functions collections as additional services, providing varied options and creating more convenience for our clients. There was also an upgrade in our user-friendly Agency Banking App and streamlining of agent networks which resulted in a notable uptick in customer satisfaction and experience, representative in our customer uptake or transaction count growing 70% year on year. In addition, there were XpressPoint set-ups and activations in selected communities with the assistance of Community heads, Chiefs and some Donor Agencies underpinning our financial inclusion drive.

Consequently, these drove an impressive uptrend in our Agency banking numbers, feeding into Consumer banking's performance and contributing significantly to the positive trajectory of Ecobank Ghana's business in 2023.

Mass Market Digitization: The year under review saw us extend our digitization efforts to promote financial inclusion with a digitization initiative (E-Classic) for salary and allowance payments of informal workers, replacing the traditional cash-based method. This project started a year ago and saw significant growth in 2023 resulting in the mobilization of monthly inflow of Ghs4.04m from forty-nine (49) beneficiary companies with more than 2,908 employees who have been onboarded to our instant medium KYC Accounts, debit cards, and access to mobile apps and Xpress Points.

Xpressloan: It is worth mentioning that our digital microlending product, the Xpressloan, created in collaboration with Jumo Ghana and Mobile Money Limited (MTN), has now disbursed over Ghs7.1 billion to over 3.5 million customers representing 10.9% of the Ghanaian population. Disbursing 17.8 million loans to more than 10% of the Ghanian population truly enforces value addition to the mass market and impact we are making in the society. It is critical to note that 68% of all clients were under 35 years and over 33.5% of them being women which underscores our focus on diversity in supporting women and youth. Of the total 3.4milllion customers, rural residents made up 38%, with 54% of them using the loans to cover urgent expenses including healthcare bills, school fees, food, and utility payments.

Ghanapay: With the introduction of Ghanapay, we have been actively involved in growing our wallet size with various activations and initiatives. GhanaPay is a mobile money services provided by Ghana Association of Bankers (GAB) to individuals and businesses. Everyone with the access of a mobile phone can register for a GhanaPay wallets by choosing Ecobank as the preferred Bank to enjoy unlimited mobile money and banking services. Transfers on GhanaPay are free (only e-levy applies). We will continue to drive this as we create more access to financial services across the nation.

Enriching Premier Banking in Ghana

The offering for our Premier Banking customers in 2023 was focused largely on increasing stickiness in our relationship with our high net-worth individuals while enhancing our ability to anticipate and meet their needs. We offer tailored customer experience to our multifaceted customers resulting in robust deposit and revenue growth. We introduced the "Premiere Banking Cocktail", a cocktail and networking session with clients in Kumasi and Accra. This event was designed to attract high-net-worth individuals and strengthen relationships with existing Premier Banking clients. We look forward to improving our product offering to the Premier banking customer base and to also enhance their experience with us.

Sustaining Product Visibility

During the year, we took active steps to improve product visibility with various promotional activities. These included the "Double Salary Promotion Reloaded" which sought to enhance the awareness of our Salary Account product and attract new customers and encourage existing ones convert to the salary account. Through targeted advertising and promotional offers, the campaign successfully increased new account openings by 15% and led to a 20% rise in overall deposits compared to the previous year.

We also rebranded our Junior Saver Account during the year to make it more appealing to young customers and their parents. This is a savings account designed purposely to allow parents introduce their young ones to a healthy savings culture whiles taking an opportunity to save some funds towards their future. The rebranding was supported with the launch of our maiden "Junior Saver Fair" which attracted over 250 young customers to a 2-day event where financial literacy, robotics, leadership, and other relevant topics were creatively taught through fun-filled activities.

The year also saw the Consumer banking unit sustain our drive to establish ourselves in the housing and mortgage space. In partnership with the Multimedia Group, we organized the "Ecobank/Joy News Habitat Fair" to promote mortgage products and attract potential homebuyers. It was a great opportunity to also project our Consumer Finance products covering several needs such as building materials, home furnishing, electronics, home security etc. It is worth noting that feedback from this fair has resulted in the design of a ready to launch "Diaspora Mortgage solution". This we believe would greatly change the mortgage landscape and enhance our value proposition to our cherished customers.

In addition, we also launched a "Bancassurance Awareness Campaign" to create more awareness for our Bancassurance offering. This was an external awareness campaign aimed at promoting EGH Bancassurance products across all digital platforms and traditional media. The primary goal was to enhance the visibility of our EGH bancassurance products among external clients, ultimately improving top-of-mind awareness. These campaigns collectively should contribute to an increase in overall business volume and a rise in the customer base.

Looking beyond 2023

In the years ahead, Consumer Banking remains committed to delivering excellence to our targeted clientele through our motivated team, robust digital channels, and tailored customer solutions. Leveraging technology, we will seek to improve our digital offerings, streamline processes, and improve overall customer experience in the delivery of our services. Our commitment to exploring new and relevant partnerships and collaborations to enhance our mileage in product distribution, solution co-creation and financial inclusion remain resolute as we seek to return more value to our esteemed shareholders.

Dear Fellow Shareholders

On behalf of the members of our Board, I am delighted to welcome you all to the 2024 Annual General Meeting of Ecobank Ghana PLC. The year 2023 was one of challenges, triumphs, and unwavering commitment to our shared vision of excellence and growth.

Our journey over the year 2023 was marked by resilience, strategic foresight, and success. Navigating through the economic disruptions within the year 2023, our bank not only weathered the storm but emerged stronger after the huge Domestic Debt Exchange Program (DDEP) modification loss which led to an unprecedented loss in 2022. Our ability to adapt swiftly to unforeseen circumstances and make strategic decisions is a testament to the collective strength of our leadership, management, and dedicated staff.

I am pleased to share that our financial performance has been robust, reflecting prudent decision-making and a commitment to sound business practices. Despite the challenges posed by the economic factors, we have recorded commendable growth in key financial indicators, affirming our position as a stalwart in the banking industry.

Throughout the year, we maintained a keen focus on technological advancements to enhance customer experience. These included multiple upgrades on the Mobile App, introducing new features and enhancing the existing security features to protect customers, upgrades on Agency Banking and Custody platforms. These translated into better features and better customer experience. We implemented new Application Programming Interfaces to enable us to have effective partnerships with Fintechs to help in customer acquisition and transactions. Our investment in cutting-edge solutions and digital innovation is positioning us as a leader in the rapidly evolving financial services landscape.

As we celebrate this milestone, I extend my heartfelt gratitude to our shareholders for your unwavering support. Your trust in our leadership team, resilience during challenging times, and commitment to the long-term success of our bank are the cornerstones of our achievements.

The dedication of our employees has been exemplary. Their hard work, creativity, and passion have been the driving force behind our accomplishments, and I am proud of this team that embraces challenges as opportunities for growth and innovation.

To ensure our continued relevance to our customers, we approached our product offerings with a fresh perspective. Our products were strategically positioned as solutions designed not only to meet needs but also to provide unique benefits. We underwent a process of re-engineering to promote savings, reduce overall service costs through self-service channels, and offer loyalty benefits such as discounts and cash back rewards.

Looking ahead, our commitment to excellence remains steadfast. We will continue to explore new avenues for growth, reinforce our market position, and enhance shareholder value. The upcoming year holds exciting prospects, and with your continued support, I am confident that we will achieve new heights of success.

Building on our purpose and performance.

At the heart of our institution lies a purpose that goes beyond the conventional boundaries of banking. Our purpose guides every decision, every innovation, and every interaction. It is a commitment to empower lives, drive economic growth, and be a force for positive change in the communities we serve.

This purpose is not a mere statement; it is a living, breathing ethos that shapes our culture, defines our identity, and propels us forward. We understand that our success is intricately linked to the prosperity of our stakeholders, and this understanding permeates every facet of our operations.

The journey has not been without challenges. The economic landscape is ever evolving, and external factors often present unforeseen obstacles. Yet, I am proud to share that our bank has demonstrated unwavering resilience in the face of adversity, through strategic foresight, prudent risk management, and agile decision-making.

Our ability to navigate challenges is a testament to the resilience ingrained in the Ecobank DNA. It is this resilience that instills confidence in our shareholders, knowing that our bank is not just reactive but proactively anticipates and addresses challenges head-on.

We take pride in the prudent use of resources, effective risk management, and the creation of a solid financial foundation that stands as a pillar of confidence.

Dear shareholders, our purpose and performance are not mutually exclusive but intricately intertwined. As we move forward, we will continue to build on the foundation of our purpose, ensuring that every financial success contributes to the broader goals of empowerment, sustainability, and positive impact.

The confidence you have placed in us is not taken lightly, and we are committed to upholding the highest standards of corporate governance, transparency, and accountability.

We have also launched our new brand campaign – A Better Way, A Better Africa.

For this journey, “A Better Way” emphasizes the bank's commitment to innovation, efficiency and providing customer-centric solutions, while “A Better Africa” highlights Ecobank's role in contributing to the economic development, sustainability, and prosperity of the African continent.

We therefore commit to doing things differently from what we have done in the past.

Building a sustainable banking business

In a landscape where one-third of investment funds carry some level of Environmental, Social and Governance (ESG) designation and 85% of fund managers integrate sustainability and ESG factors into their decision-making, acknowledging and embracing these considerations is paramount. The past year tested our strength and resilience, revealing the significance of ESG in our work at Ecobank Ghana. We endeavor to make strides toward sustainable growth in our decision making.

The financial sector plays a crucial role in addressing pressing environmental and social challenges. At Ecobank Ghana, our dedication to responsible banking and sustainability is unwavering, underscored by key initiatives that exemplify our embrace of ESG principles.

Ecobank Ghana PLC obtained the IFC EDGE Certification for our head office building to affirm our commitment to environmentally conscious practices. We acknowledge the importance of reducing our ecological footprint and remain devoted to finding innovative solutions for sustainable energy use and resource efficiency. As a certified EDGE Standard achiever, the bank excelled in various metrics, showcasing a remarkable 34% energy savings, 24% water savings, and an impressive 85% reduction in embodied energy in materials.

Our inaugural Green Idea Challenge project shows our commitment to channeling the collective creativity and innovation of our workforce towards advancing sustainability objectives.

The challenge, open to all employees, whether individuals or teams from various departments or branches, centred around three crucial categories: Energy Efficiency, Waste Transformation and Recycling, and Water Conservation. The winning idea is to be implemented across the bank, showcasing our commitment to embracing ingenuity and creativity from our employees.

Ecobank Ghana's recognition as the Best Institution for ESG Integration, Reporting, and Disclosure, as well as the Best Institution for Renewable Energy Integration at the Sustainability Social Investment Awards in November 2023, reflects our industry leadership and dedication to integrating sustainability into core business practices.

For the first time, our ESG and Sustainability report aligns with the Global Reporting Initiative (GRI), emphasizing our commitment to transparent and standardized reporting on ESG matters (Please refer to GRI index link in the Sustainability Annual Report). I extend my gratitude to our shareholders, customers, employees, and stakeholders contributing to our sustainability journey.

Economic Outlook

Overall, the world economy held up in 2023, despite significant monetary tightening and lingering policy uncertainties. Normalized consumption from China and a pick-up in US growth, outweighed a sharp slowdown in Europe following the regional energy shock in 2022. Robust labour markets supported consumer spending, while inflation gradually eased in most regions on the back of lower energy and food prices, allowing central banks to slow or pause interest rate hikes especially in the last quarter.

On a macroeconomic level, the latest Ghana Statistical Service data showed an expansion in overall real GDP by an annual rate of 2.0% driven by the services and agriculture sectors during the third quarter of 2023, relative to 2.7% over the same period in 2022.

Inflation has shown a positive trend, with headline inflation dropping to 23.2% in December 2023, compared with the 54.1% recorded in December 2022.

Gross International Reserves, excluding pledged assets and petroleum funds, reflected a significant build-up of US$2.2 billion at the end of December 2023 to stand at US$3.7 billion. The build-up was driven mainly by the gold for reserves program and unwinding of short-term liabilities. However, the stock of Gross International Reserves ended the year at US$5.9 billion, enough to cover 2.7 months of imports of goods and services, from the stock position of US$6.3 billion (2.7 months of import cover) at the end of December 2022.

The stability in the foreign exchange market hinged on improved inflows from the IMF Extended Credit Facility first tranche, the domestic gold purchase programme, remittances, and foreign exchange (FX) purchases from mining and oil companies, amid monetary policy tightening. These were further supported by the release of COCOBOD loan facility in December 2023. Excluding the sharp depreciation of 20.6% in January, the Ghana cedi cumulatively depreciated by 7.2% against the US dollar between February and December 2023.

On the money market, interest rates broadly tightened at the short end of the yield curve.

The 91-day and 182-day Treasury bill rates fell marginally to 29.36% and 31.94% respectively, in December 2023, from 35.4% and 35.9% respectively, in December 2022. The rate on the 364-day instrument also decreased to 32.5% from 36.1% over the same comparative period.

The Bank of Ghana had maintained a policy rate of 30.0% as of the last meeting in November 2023.

The Monetary Policy Committee also made additional monetary policy measure unifying the currency holding for the Cash Reserve Ratio requirement on foreign currency denominated deposits and domestic currency deposits for banks.

The new unified Cash Reserve Ratio for total deposits (cedi and foreign currency) are to be held in cedis and reset the Cash Reserve Requirement from 14% to 15% effective 30th November 2023. This measure is to reinforce the Bank's liquidity management operations to address excess structural liquidity conditions in the market and provide additional impetus to the disinflation process.

Our performance in 2023

In 2023, Ecobank Ghana PLC demonstrated a robust financial performance, with total revenue soaring by 79.4% to GHS5.3 billion. This notable accomplishment underscores the resilience of our income-generating capabilities amidst challenging economic conditions. The substantial growth primarily stems from increases in both net interest income and fee-based income, reflecting the successful execution of our trade and cash management initiatives.

Net interest income remains the primary revenue driver, comprising 66% of the total, while non-interest income contributes 34%. The 39.6% surge in interest income is attributed to an increase in loan volumes. The net impairment charge on the loan book and financial instruments was GHS1.8 billion, resulting in a profit before tax of GHS985.2 million.

Operating expenses increased by 22.7%, driven by inflationary pressures and exchange rate depreciation. We expect that our ongoing cost management initiatives will positively impact our cost base and efficiency levels in 2024.

Our Returns on Average Equity and Assets for 2023 stood at 20.0% and 2.1%, respectively, indicating the value delivered to our shareholders.

Highlights from the balance sheet reveal a strong financial position, with total assets reaching GHS33.7 billion, marking a 29.9% increase from the previous year. Customer deposits, amounting to GHS26.3 billion, grew by 29%, reflecting improved product offerings and enhanced customer confidence in the Ecobank brand.

Despite economic challenges, our net loan book stood at GHS9.5 billion, one of the largest in the industry, emphasizing our continued support for business growth.

Maintaining healthy capital ratios, our capital adequacy ratio of 13.49% in December 2023 exceeded the regulatory requirement of 10%.
While celebrating our achievements, the Board and management remain vigilant regarding potential challenges such as debt restructuring, currency depreciation, and inflationary pressures, recognizing the potential impact on both the bank and our valued clients.

Dividend

The Board recognizes the importance of dividends to our shareholders and is committed to paying the maximum sustainable dividends.

However, in line with the Central Bank's expectations on dividend payment and to ensure the continued sustainability of our business, we have elected not to pay a dividend for the calendar year under review.

The Board is working closely with the executive management team and is confident that the strategy currently being implemented will underpin the long-term growth of your company and should lead to the resumption of cash dividend payment in the near future.

Corporate Social Responsibilities

We express gratitude to the community for its continuous support and encouragement throughout our extensive journey of growth and development. Our belief is rooted in the understanding that sustainable development is unattainable without the backing of society.

In line with our commitment to corporate social responsibility (CSR), the bank demonstrated a robust commitment to corporate social responsibility, contributing to various community initiatives. The bank actively participated in the refurbishment of schools, donated laptops to promote ICT education at institutions like Kwame Nkrumah University of Science and Technology and the University of Ghana etc. We provided support for Klick Africa Foundation, a Non-Profit Organization caring and educating about 100 children with autism.

Other notable CSR efforts included Ecobank Day celebrations at South Labone Girls Technical

Institute and Potters Village Orphanage, marking the occasion with impactful assistance.

You will find the full details of all our activities to support our communities in our Corporate Social Responsibility report on pages 74 - 81 of the annual report.

Supporting our Stakeholders

It is important not just to achieve excellent results, but to do so in a way that accords all our stakeholders, employees, customers, regulators and shareholders in a fair and transparent treatment.

As part of this commitment, the Board and I are determined to ensure that Ecobank remains a place where all our people have the opportunity to fulfil their potential in a nurturing environment that encourages the right behaviour.

The Bank believes in having an empowered team. While the management and senior leadership drive knowledge and guidance by way of a top-down approach, employees at all levels are given various opportunities to share their perspectives, experiences and seek professional options.

Our stakeholders expect honesty and integrity, and we will continue to promote a culture in which people do the right thing.

Awards

Demonstrating our market leadership and unwavering dedication to global best practices, we garnered numerous awards in 2023. These accolades underscore the success of our endeavors throughout the year. The bank received significant recognition per a total of 19 awards from 6 prestigious awarding bodies which includes:

Think Energy SDG Awards

- Best financial institution promoting the attainment of SDGs 4,7, 13,14 ,17, especially on the sustainable use of energy resources.

Chartered Institute of Marketing Ghana (CIMG)

- Bank of the Year
- Retained membership as the only hall of Fame bank for the 6th year.
- 5-Star Bank in Service Quality – Business Banking
- 5-Star Bank in Customer Satisfaction – Business Banking
- 5-Star Bank in Customer Satisfaction – Consumer Banking

Sustainability and Social Investment Awards

- Best institution: ESG Integration, Reporting and Disclosure
- Best Institution: Renewable Energy Integration
- Global Banking and Finance Review Awards
- Best Bank for Youth and Students Ghana 2023
- Best Retail Bank Ghana 2023
- Best Agri Business Bank Ghana 2023
- Best Digital Bank Ghana 2023
- Best SME Bank Ghana 2023
- Best Online Services for Micro and SME Ghana 2023

Euromoney Awards

- Corporate Banking – Market Leader 2023
- CSR – Market Leader 2023
- Digital Solutions – Market Leader 2023
- SME Banking – Market Leader 2023

Ghana Club100 awards

- 20th position

I am most proud of what this recognition says about the success of the bank. We dedicate these awards to our loyal customers and thank them for choosing Ecobank.

Board Changes

Mr. Daniel Sackey resigned from the Board in August 2023 after 7 years of invaluable service to Ecobank Ghana as the Managing Director. We thank him for his significant contribution to the sterling performance of the Bank over the period.

We also extend our appreciation to Mrs. Joana Mensah who held the fort as Acting Managing Director from August to December 2023.

It's my pleasure to announce the appointment of Mrs. Abena Osei-Poku as the new Managing Director for Ecobank Ghana, and Regional Executive for the Anglophone West Africa (AWA) Region, effective January 2024.

Mrs. Osei-Poku brings to our institution a wealth of experience and expertise, with over 25 years of distinguished service in the financial services industry. I am confident that Ecobank Ghana PLC will continue to thrive and uphold its reputation as a leading financial institution in the country under her watch. Please join me in extending our warmest congratulations and support to Mrs. Osei-Poku as she assumes this pivotal role in our organization.

Mrs. Lucy Alando was also appointed as a Non-Executive Director in December last year. She is seasoned in the area of Risk Management, with over 29 years experience in the Financial Services industry. She brings on board expertise that spans Trade Banking, Corporate Banking, Consumer Banking Credit and Enterprise Risk Management.

Conclusion

Our capital base, robust growth prospects, wider network, new business strategy and leadership, place us in a vantage position to leverage the growth opportunities across the economy.

The bank is committed to realize its goals by focusing on the major areas such as profitability, asset quality, latest digital technology and social performance.

I take this opportunity to express my deep sense of gratitude to our regulators, Bank of Ghana, the Securities and Exchange Commission and the Ghana Stock Exchange for their strong support and guidance, during the year.

The Board also places on record its gratitude to the bank's shareholders and customers for their continued support, patronage, and goodwill. We further express our appreciation for the valuable services rendered by PricewaterhouseCoopers (Ghana) Limited, our statutory auditors.

We profoundly acknowledge the staff as the single most important pillar of the institution and thank the staff for their hard work, dedication, commitment, and loyalty to the bank.

Dear Shareholders, I look forward to your continued support in the years ahead.

Thank you, and God bless us all.

Fellow Shareholders,

It is with great pleasure and a deep sense of gratitude that I address you as the Acting Managing Director of Ecobank Ghana PLC, a position I took on in the last five (5) months of 2023. I am grateful to the Board of Directors for entrusting me with the responsibility of leading the bank during the transition period whilst management worked with the regulator to firm up the appointment of a substantive Managing Director. The opportunity to serve in this capacity was a great honour and a privilege, and I am proud to have been part of the team that steered the bank toward growth and sustainability during the year under review.

This past year has been a journey of challenges, opportunities, and growth, and I am pleased to share with you the progress we have made during this transformative period.

Firstly, I want to acknowledge the tremendous legacy left by Daniel Sackey, our former Managing Director. Under his leadership, our bank achieved remarkable milestones, and his dedication paved the way for a strong foundation. As I assumed the role of Acting Managing Director in August 2023, I was acutely aware of the responsibility entrusted to me, and I am happy to note that the bank performed creditably under my able leadership.

As we reflect on the past year, it is important to note that our nation has faced major challenges traversed by economic crises, and with the support of international institutions, notably the International Monetary Fund (IMF), the country has implemented critical debt exchange programs to foster macroeconomic stability. These measures have been instrumental and measures taken have led to reduced inflation and stable exchange rates compared to the previous year 2022.

During these challenging times, our bank has strategically positioned itself to capitalize on emerging opportunities. We recognized the need to align our strategies with the changing economic landscape, focusing on prudent financial management, risk mitigation, and customer-centric approaches.

The bank has been financially strong and maintained its position in the market with our financial performance significantly better than that of full year 2022. This is a testimony to the quality and commitment of the management team and staff of the bank

Throughout the year, we focused on our obligation to make a real contribution to economic and social development and t our ability to do so is fundamental to our success in delivering sustainable value to our shareholders. The bank's financial discipline, risk management culture as well as robust capital position provided a solid foundation for growth.

Overall, my colleagues demonstrated resilience, professionalism, and above all, exceptional commitment to serving our customers. Looking ahead, we remain committed to supporting our customers, providing innovative financial solutions, and contributing to the economic well-being of our community.

Innovations and New Products

Ecobank has consistently prioritized adapting to the evolving demands of customers within the dynamic economic landscape. In the year 2023, this commitment remained unwavering despite the challenges posed by the debt exchange program, impacting the disposable income of our clients and disrupting their savings culture.

To ensure our continued relevance to our esteemed customers, we approached our product offerings with a fresh perspective. Our products were strategically positioned as solutions designed not only to meet needs but also to provide unique benefits. We underwent a process of re-engineering to promote savings, reduce overall service costs through self-service channels, and offer loyalty benefits such as discounts and cash-back rewards.

During this period, we enhanced the visibility of the Ecobank Salary account, showcasing embedded products tailored for the typical salaried worker. These included bancassurance with a disability, retrenchment, and death benefits, a savings product (SAYS - Save As You Spend), a payment card providing 24/7 access to funds, and access to all digital channels. This effort resulted in an impressive 98% year-on-year growth in the uptake of the product.

Recognizing the significance of the youth, we intensified our focus on the Ecobank Junior Savings Account in 2023. The "Ecobank Junior Saver Conference" engaged over 200 young account holders in practical learning and entertaining activities, fostering financial literacy, leadership skills, and overall well-being.

The MX Mobile Banking Brand continued to engage older youth through various activations in tertiary institutions in Ghana. Additionally, our local scheme cards, gh-link, and ezwich were revitalized with new designs to better appeal to our valued clients.

Numerous loyalty campaigns were introduced to appreciate our clients and educate them on our products. Initiatives such as the Father's Day and Mother's Day campaigns, free card issuance, re-positioning of the contactless solution, and partnerships with esteemed companies like Bolt, Sai Wines, LaLa Land, Woodin Stores, Royal Senkyi, and Top Up Pharmacy were implemented to offer exclusive discounts to clients using their cards.

In our commitment to enhancing visibility, a campaign was launched to highlight Ecobank's bancassurance offerings, leveraging our card customer base to promote the Travel Insurance product, which saw an impressive 200% year-on-year growth.

Adapting to the evolving remittance landscape, our focus on last-mile distribution for remittance products resulted in a notable increase, with deposits surpassing $100 million, up from the previous year's recorded value of $68 million.

Our mobile and online banking platforms continued to be instrumental channels for introducing self-service products. Key additions in 2023 included the ability to generate PINs on the mobile app, facilitating the seamless distribution of products and services. Furthermore, our Xpress Points played a crucial role in advancing our financial inclusion agenda by creating an ecosystem for customer acquisition, deposit mobilization, and facilitating payments in areas where Ecobank was not physically present.
I commend the dedicated efforts of our team in navigating challenges and achieving significant milestones in 2023. We remain steadfast in our commitment to delivering value to our customers and stakeholders.

Technology Initiatives

I am pleased to share with you the significant strides we have made in embracing technology and its transformative impact on our operations and, most importantly, on our customers.

The year 2023 brought forth a new set of challenges in the form of social engineering frauds, which posed a threat to our digital journey. Swiftly responding to the issue, we identified the root cause – mobile money SIM swaps by fraudsters. In response, we implemented a robust SIM swap check on the USSD platform, fortifying our defenses and reducing vulnerability. Additionally, we enhanced our self-onboarding processes to thwart fraudsters from exploiting potential loopholes.

Our commitment to technological excellence extended to multiple upgrades across various platforms. The Mobile app underwent significant enhancements, introducing new features and reinforcing existing security measures to ensure the utmost protection for our customers. Similar upgrades were applied to our Agency Banking and Custody platforms, resulting in an enriched user experience and heightened security standards.

Recognizing the importance of collaboration, we forged strategic fintech partnerships through the introduction of new Application Programming Interfaces (APIs). These APIs not only facilitated effective partnerships with fintech companies but also streamlined customer acquisition and transaction processes. Simultaneously, our Corporate API underwent improvements to enhance stability and reduce turnaround time for onboarding new partners.

Embracing automation was another pivotal step in our technological journey. Operational processes underwent significant automation, leading to remarkable efficiency gains. This translated into faster turnaround times for processing failed transactions and reshaped the way data is captured, aiding in automatic transaction reconciliation.

A critical aspect of our technological advancement was the implementation of a state-of-the-art Digital Transaction Monitoring tool. With the digitization drive and the surge in transaction volumes, real-time monitoring became imperative. This tool enables us to proactively respond to platform issues and detect service degradation before it impacts our valued customers. I am pleased to report that digital transactions now account for more than 95% of our volume, and the transaction fulfillment rate has significantly increased compared to the previous year.

Our commitment to leveraging technology has not only strengthened our defenses against emerging threats but has also enhanced our services, providing an unparalleled experience for our customers. As we move forward, we remain dedicated to staying at the forefront of technological innovation, ensuring sustainable growth and value creation for our shareholders.

A commitment to Customer-Centricity

In 2023, Ecobank continued to play a pivotal role in the financial journeys of our numerous customers, with an unyielding dedication to supporting their diverse financial needs and aspirations. Our commitment to excellence was manifested in the processing of approximately 77 million transactions, spanning both our physical branches/offices and advanced digital platforms.

A testament to our commitment to customer engagement, our multicultural and multilingual Regional Contact Center effectively connected with 1.20 million customers. This not only showcases our dedication to fostering a diverse and inclusive customer experience environment but also underscores our proactive approach to meeting the evolving needs of our diverse customer base.

I am delighted to share that in 2023, an impressive 87% of our customers expressed satisfaction with their Ecobank experience. This marks a significant increase from the 83% satisfaction rate recorded in the previous year. Furthermore, 88% of our customers conveyed their intention to recommend Ecobank to friends and relatives, reflecting a commendable 2% growth compared to the metrics of 2022.

Our transformative efforts in enhancing customer experience throughout 2023 were deeply rooted in our organizational values and a distinctive customer-centric ethos ingrained in every employee. This approach extends across all touchpoints within our business, emphasizing a deep understanding of customer perspectives, personalized service, and product offerings, maintaining proximity to our customers, timely communication, steadfast commitment to delivering on promises, and consistently going the extra mile.

In a rapidly evolving world, we firmly believe that the delivery of exceptional service experiences is not only integral to sustaining but also expanding our business. As we look to the future, we remain committed to investing in technology, training, and innovative solutions to ensure that Ecobank continues to be a beacon of customer excellence.

2023 Financial Performance

We maintained a resilient financial performance amidst the prevailing challenges within the country, notably the economic distress which introduced considerable uncertainties.

Ecobank achieved a net interest income of GHS3.5 billion, surpassing the previous year's performance by 39.6%. Notably, the bank demonstrated strong financial resilience, experiencing a significant 79.4% increase in total revenue to GHS5.3 billion.

The net impairment charge on the loan book and financial instruments was GHS1.8 billion, resulting in a profit before tax of GHS985.2 million.

Despite the adverse conditions, our balance sheet remained robust throughout the year, showcasing a solid financial footing. Total assets reached GHS33.7 billion, marking a 29.9% increase from the preceding year. Furthermore, customer deposits surged to GHS26.3 billion, reflecting a 29% increase, indicative of enhanced product offerings and strengthened customer trust in the Ecobank brand.

Our capital and liquidity levels consistently exceeded regulatory requirements, with a Common Equity Tier 1 ratio of 11.57% and a Tier 2 ratio of 1.92%, contributing to an overall Capital Adequacy Ratio of 13.49%, surpassing the prudential minimum of 10% as of December 31, 2023.

In the same year, we continued to deliver sustainable value to our shareholders, achieving a return on average assets of 2.1% and a return on equity of 20%.

Navigating the Fintech Frontier: Embracing Opportunities and Overcoming Challenges

Over the past few years, we have witnessed a rise in the adoption of digital payment systems and the proliferation of Fintech solutions. This transformation has been driven by rapid technological advancements, changing consumer preferences, and a quest for more efficient and convenient financial services. As stakeholders in our bank, you need to understand the dynamics of this evolving landscape and the strategies we are employing to navigate these changes.
The advent of digital payment systems has revolutionized the way individuals and businesses conduct financial transactions. Mobile wallets, contactless payments, and online banking have become integral components of our daily lives. The increasing penetration of these systems signifies a paradigm shift towards a cashless economy, bringing with it numerous opportunities and challenges.
Ecobank has proactively embraced this digital revolution, ensuring that our customers have access to a wide array of payment options. We have invested significantly in robust and secure digital infrastructure, facilitating seamless and efficient transactions. This commitment has not only enhanced customer satisfaction but has also positioned us as a forward-thinking institution in the eyes of our clients and the broader financial community.

The impact of increased penetration of payment systems and Fintech on our bank has been multi-faceted. On the positive side, it has allowed us to streamline operations, reduce costs, and enhance the overall customer experience. We have witnessed an increase in customer engagement and loyalty as a result of our strategic focus on digital solutions.
However, this transformation has also presented challenges, including heightened competition from non-traditional financial players, evolving regulatory frameworks, and the need for ongoing investments in technology. As a bank, we recognize the importance of agility and adaptability in navigating these challenges and we remain committed to staying at the forefront of innovation.

Despite the challenges, the prospects for our bank in this evolving landscape are promising. We are strategically positioned to leverage the opportunities presented by the growing demand for digital financial services. Our commitment to innovation, coupled with a customer-centric approach, will enable us to not only withstand industry changes but also to thrive in this dynamic environment.

We are actively exploring partnerships and collaborations with Fintech companies to harness their innovative capabilities and bring new and exciting offerings to our customers. By doing so, we aim to strengthen our position as a leading financial institution that not only adapts to change but also shapes the future of banking.

The increased penetration of payment systems and the rise of Fintech present both challenges and opportunities for our bank. Through strategic investments, a commitment to innovation, and a focus on customer satisfaction, we are confident in our ability to navigate these changes successfully and to emerge as a stronger and more resilient institution.

Operating Environment

The global economy exhibited greater-than-expected resilience in 2023 in the face of aggressive monetary policy tightening by most central banks around the world. The result was a major upside surprise in overall GDP growth.

The Ghanaian economy also displayed resilience amid global uncertainties, with real GDP growth standing at 3.2% in the second quarter of 2023. Despite challenges, the provisional growth rate in the third quarter remained at 2%, showcasing the nation's economic stability.

Inflation exhibited positive trends, culminating in a significant reduction to 23.2% in December 2023. The government successfully implemented the Debt Exchange Program (DDEP), swapping GH¢82 billion of old bonds for 12 new ones with reduced coupon rates and extended tenors.

Additionally, restructuring efforts covered cocoa bills amounting to GH¢7.93 billion and local dollar-denominated bonds of US$809 million. Ghana's Gross International Reserves (GIR) excluding Encumbered Assets and Petroleum Fund, increased to $3.66 billion in December 2023, from $2.67 billion in December 2022. This marks a 37.08% increase between December 2022 and December 2023.

Notably, the Ghanaian cedi remained relatively stable, experiencing only a 2.5% cumulative depreciation between February and September 2023.

Moreover, a new unified Cash Reserve Ratio for total deposits was implemented, mandating that reserves be held in cedis, resetting the Cash Reserve Requirement from 14% to 15% effective 30th November 2023. Ghana's economic reforms and successful reviews culminated in the disbursement of the second tranche of $600 million under the Extended Credit Facility (ECF) arrangement with the International Monetary Fund (IMF) after the 1st tranche of $600million in May 2023. This, coupled with the approval from the Official Creditor Committee (OCC) and the G20's Common Framework, resulted in a total disbursement of $1.2 billion to Ghana.

The IMF's endorsement has further unlocked a $300 million disbursement from the World Bank under the Development Policy Operation Financing, with an additional $250 million expected to be approved to support the Ghana Financial Stability Fund.

The money market witnessed a tightening of interest rates at the short end of the yield curve. Noteworthy market trends include a marginal decrease in the 91-day and 182-day Treasury bill rates to 29.36% and 31.94%, respectively, in December 2023. The Bank of Ghana maintained a policy rate of 30.0%, affirming its commitment to a prudent monetary policy stance.

People

The great people who work within the bank have made all the difference to our success. I am proud to have a team of talented and dedicated individuals committed to our mission and values. Over the years, we have consistently emphasized our employees' welfare by fostering a safe and productive workplace. We prioritized the training and development of our team members and allocated adequate resources for their personal and professional growth. Additionally, we have taken measures to pursue diversity, equity, and inclusion in the Bank. Our female workforce constitutes approximately 53% of our total employee population.

Our employees have risen to the challenges in the past years, demonstrating resilience, creativity, and a commitment to excellence. Their hard work and dedication have enabled us to adapt to changing circumstances and continue to deliver exceptional products and services to our cherished customers.

As we look to the future, we recognize the importance of investing in our people. We will remain committed to creating a supportive and empowering work environment and providing opportunities for our team members to grow and thrive. In line with Ecobank's commitment to promote gender equity across the bank, we will continue to work hard to systematically increase the female ratio at the executive level.

Corporate Social Responsibility

Our Bank is grateful to the society that has supported and encouraged it during its long journey of growth and development. The Bank believes that no organization can make sustainable development without the patronage of society.

In line with our commitment to corporate social responsibility (CSR), the bank demonstrated a robust commitment to corporate social responsibility, contributing to various community initiatives. The bank actively participates in the refurbishment of schools and donates laptops to promote ICT education at prominent institutions like Kwame Nkrumah University of Science and Technology and the University of Ghana. We provided support for Klick Africa Foundation, a Non-Profit Organization caring for and educating about 100 children with AUTISM.

Other notable CSR efforts includes Ecobank Day celebrations at South Labone Girls Technical Institute and Potters Village Orphanage, marking the occasion with impactful assistance.

Also, working through the Human Resources Department, the bank in September 2023 embarked on an Employee Volunteerism Initiative with staff making cash contributions towards donations valued at GHS280,000 to five institutions, notable Potters Village Orphanage, Weija Leprosarium, Church of Pentecost Hospital at Madina, Suntreso Hospital in Kumasi, and the Sekondi Prisons in the Western region.

We are also committed to integrate social and environmental concerns into our business operations. Our Bank shall continue to have among its objectives, promotion and growth of national economy and shall continue to be mindful of its social and moral responsibilities to customers, shareholders, and the society.

Awards

As a testament to our market leadership, robust and steadfast commitment to global best practices, we received several awards and recognitions in 2023. These array of awards and accolades highlight the success of the bank's efforts last year.

The Bank received significant recognition, collecting a total of 19 awards from 6 prestigious awarding bodies which includes:

Think Energy SDG Awards

- Best financial institution promoting the attainment of SDGs 4,7, 13,14 ,17, especially on the sustainable use of energy resources.

Chartered Institute of Marketing Ghana (CIMG)

- Bank of the Year
- Retained membership as the only Hall of Fame bank for the 6th year.
- 5-Star Bank in Service Quality – Business Banking
- 5-Star Bank in Customer Satisfaction – Business Banking
- 5-Star Bank in Customer Satisfaction – Consumer Banking

Sustainability and Social Investment Awards

- Best institution: ESG Integration, Reporting and Disclosure
- Best Institution: Renewable Energy Integration
- Global Banking and Finance Review Awards
- Best Bank for Youth and Students Ghana 2023
- Best Retail Bank Ghana 2023
- Best Agri Business Bank Ghana 2023

- Best Digital Bank Ghana 2023
- Best SME Bank Ghana 2023
- Best Online Services for Micro and SME Ghana 2023

Euromoney Awards

- Corporate Banking – Market Leader 2023
- CSR – Market Leader 2023
- Digital Solutions – Market Leader 2023
- SME Banking – Market Leader 2023

Ghana Club100 awards

- 20th position

Looking ahead

Looking ahead, we are optimistic about the prospects for our bank in 2024. The economic stabilization and recovery of our country provide a favorable backdrop for our operations. We remain committed to supporting our customers, providing innovative financial solutions, and contributing to the economic well-being of our community.

Our strategic initiatives, coupled with the resilience of our team, have positioned us well to thrive in the evolving economic landscape. We will continue to leverage opportunities and uphold the principles of sound financial management to deliver sustainable value to our shareholders.

As we have seen, the impact of the global disruptions and the recent economic distress will be seen over a couple of years. Future focus by our Bank will remain digital services, collection efficiency, sound liquidity management, risk adjusted credit expansion and recovery.

We will drive staff productivity for sustainable revenue growth and accelerate Digital Adoption to increase our payment wallet size across our network. Our task will be to also deliver superior return on equity (ROE) & enhance the Risk, Control and Compliance Environment especially amid the anticipated changes in the regulatory measures.

Conclusion

Once again, I am grateful to the Board of Directors for entrusting me with the responsibility of leading the bank from August 15, 2023 to December 31, 2023. The opportunity to serve in this capacity has been an honour, and I am proud to have been part of the team that steered the bank towards growth and sustainability.

To our esteemed shareholders, I want to express my sincere gratitude for your unwavering support during this transition period. Your confidence in the bank and its leadership has been instrumental in our success. We remain committed to delivering value to you, and I look forward to your continued support as we navigate the exciting journey ahead.

While I took on the role as Acting Managing Director, I am delighted to share that a substantive Managing Director has now been appointed.

I extend my heartfelt congratulations to Mrs. Abena Osei-Poku on her appointment. She brings a wealth of experience and a fresh perspective to the position. I am confident that under her leadership, the bank will continue to thrive and reach new heights.

To my esteemed colleagues, I express my heartfelt appreciation for your dedication and steadfast support to me and management throughout the year. Your hard work cannot be overlooked, and I commend you all.

In conclusion, this past year has been a testament to the resilience and strength of our bank. I am grateful for the opportunity to have played a part in this journey, and I am confident that our bank is well-positioned for a future of continued growth and success.

Thank you all.

04 DIRECTORS REPORT

DIRECTORS REPORT

The Directors submit their report together with the consolidated and separate financial statements for the year ended 31 December 2023.

Directors' responsibilities statement

The Directors are responsible for the preparation of financial statements that give a true and fair view of Ecobank Ghana PLC standing alone and its subsidiaries (together called "the Group") comprising the statements of financial position as at 31 December 2023 and the statements of comprehensive income, changes in equity and cash flows for the year then ended and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards (IFRS) with the IAS 29 Directive issued by the Institute of Chartered Accountants Ghana (ICAG) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930).

The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management. The Directors have made an assessment of the ability of the Bank to continue as a going concern and have no reason to believe that the business will not be a going concern.

Principal activities

The Bank is registered to carry on the business of banking under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). Its principal activities comprise corporate, investment and retail banking. It also engages in investment and advisory services, management of investments on behalf of customers and provision of operating and finance lease facilities through its subsidiaries. There was no change in the nature of the Bank's or the subsidiaries' business during the year.

Financial results and dividend

The highlights of the financial results of the Bank and Group for the year ended 31 December 2023 are set out below:

	Group GH¢'000	Bank GH¢'000
Profit after tax (attributable to equity holders)	632,600	619,479
to which is added the balance brought forward on retained earnings of	1,199,629	1,160,919
	1,832,229	1,780,398
out of which is transferred to the statutory reserve. fund in accordance with Act 930 an amount of;	(77,926)	(77,435)
and transfers to the credit risk reserve of;	(76,169)	(76,169)
	(154,095)	(153,604)
leaving a balance to be carried forward on the retained earnings of	1,678,134	1,626,794

The Directors do not recommend dividend payment for the year 2023 (2022: nil).

The Directors consider the state of the Bank's and the Group's affairs to be satisfactory.

Objectives of the Bank

The objective of the Bank is to build a world-class bank seeking to provide its customers with convenient and reliable banking and financial products and services both locally and regionally.

Subsidiaries and associates

Subsidiaries

The Bank has the following subsidiaries, which are incorporated in Ghana and provide the following services:

▪ Ecobank Investment Managers Limited	Management of investments
▪ Pan African Savings and Loans Company Limited	Savings and loans

The number of subsidiaries has reduced from 4 to 2 because in 2023, Ecobank Leasing Company and Ecobank Venture Capital Fund 1 had no activity/operation during financial year 2023 due to the liquidation of these companies. The registrar of companies is working on the liquidation. The next stage is to gazette the liquidation and notify the public to complete the process.

Related party transactions

Information regarding Directors' interests in ordinary shares of the Bank is disclosed in Appendix I to the financial statements. Other than service contracts relating to appointment agreements, no Director had a material interest in any contract to which the Group was a party during the year. All related party transactions are reviewed and approved by the Board and are also subject to related party policies outlined in the Bank's Credit Policy Manual and all applicable regulations. All related party transactions are reported to BoG as required by Act 930. Related party transactions are carried out at arms-length. Exposure limits are constantly monitored. Subsidized staff loans are recognized in the financial statements at fair value. Related party transactions and balances are also disclosed in note 40 to the financial statements.

Auditor

The Audit & Compliance Committee has responsibility delegated from the Board of Directors for making recommendations on the appointment, reappointment, removal and remuneration of the external auditor. MessrsPricewaterhouseCoopers will not continue in office in accordance with section 139 (5) of the Companies Act, 2019 (Act 992) and section 81 of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

Professional fees agreed in respect of the audit of the financial statements of the Group for the year ended 31 December 2023 has been disclosed in note 15 to the financial statements.

Board of Directors Profile

Non-Executive	Qualification	Outside Board and Management position	Position
Samuel Ashitey Adjei	MBA (Finance) BSc (Hons) Mathematics & Statistics	Sheman Energy Ltd Sheman Impact Ltd Presbyterian University Ghana	Chairman Chairman Director
Patience Enyonam Akyianu	MBA (Finance) BSc Administration (Accounting) ICA (Ghana)	Hollard Ghana Holdings Limited Hollard Life Assurance Ghana Hollard Insurance Ghana Hubtel Ghana	Group Managing Director Director Director Director
Henry Dodoo-Amo	MBA	IAF Management Consultancy	Managing Partner
John Ofori-Tenkorang	Sc. D Electrical Engineering & Computer Science EE Electrical Engineering MSc. Electrical Engineering & Computer Science BSc. Electrical Engineering	National Identification Authority Ghana International Bank (UK) Social Security and National Insurance Trust (SSNIT)	Director Director Director
Ohene Aku Kwapong	MBA, Finance & Corporate Strategy PhD Nonlinear Systems Modeling & Risk Control MSc. Chemical Engineering Practice BSc. Chemical Engineering Practice	Park Street, Pulse Taastrup Pulse Glostrup Songhai	Director Director Director Director
Lucy Emma Alando	MBA (Finance) BA (Hons) Psychology & Sociology	Platinum Debt Income Fund PLC	Chairman
Edward Nartey Botchway	Doctor of Business Admin M Phil (Applied Business Research) BA (Hons) Economics ICA (Ghana) FCCA (UK)	Ecobank Liberia Limited Ecobank Sierra Leone Limited	Managing Director Director

Executive

Daniel Nii Kwei-Kumah Sackey (Retired)	MBA BSc. Administration (Accounting)	eProcess International SA Ecobank Guinea EBI-SA Group	Chairman Director Director
Joana Mensah	MBA (Finance) BSc Agricultural Economics	Ecobank Gambia	Director

Biographical information of directors

Age category	Number of directors
41 – 60	4
Above 60	4

Executive Management Profile

Executive	Qualification	Experience
Joana Mensah	MBA (Finance) B.Sc. Agricultural Economics	Country Chief Risk Officer – 2019 – Date Country Risk Manager – 2006 – 2019 Head, Commercial Banking – 1999 – 2005 Assistant Manager, Commercial Banking – 1996 – 1999 Credit Officer, Corporate Banking – 1993 – 1996
Awuraa Abena Asafo-Boakye	EMBA (Finance) – 2003 QCL (Hons) – 1991 LLB (Hons) – 1989	Chief Legal Officer and Company Secretary – 2010 – Date Head, Human Resources – 2007 – 2010 Senior Legal Officer – 1998 – 2007 Legal Officer –1996 – 1998
Newlove Kwame Adjei	ICA – 2010 EMBA (Finance) – 2009 ACCA – 2006 B.Sc. Administration (Accounting) – 1998	Chief Financial Officer – 2021 – Date Chief Financial Officer – Group Commercial Banking 2018 – 2020 Deputy CFO – Ecobank Ghana PLC – 2009 – 2018 Finance Officer – Ecobank Ghana PLC – 2007 – 2009
Nixon Amoah-Awuah	MSc Oil and Gas Mgt – 2020 CIPD – Fellow – 2020 Certified HR Practitioner (Institute of Human Resource Management Practitioners – 2013 B.Sc. (Hons) Natural Resources Management – 2001	Head, Human Resources – Dec 2022 – Date Director, Human Resources, Ghana Tex Styles Ltd – June 2022 – Oct 2022 Managing Director, CarvinClay People Development – 2021 – 2022 Head of HR & Office Services – Tullow Ghana Limited – 2015 – 2020 Snr HR Business Partner – Vodafone Ghana – 2010 – 2015 Recruitment Consultant – Von Essen Consult – 2009 – 2010
Johnson Oware	MBA Finance – 2002 B.Sc. Administration, Banking and Finance – 1997	Acting Head, Corporate Banking – 2022 – Date Head, Public Sector, Ecobank Ghana – 2019 – 2022 Head, Regional Corporate, Ecobank Ghana – 2012 – 2018 Group Manager, Cards and Electronic Banking – 2010 – 2012 Head, Transaction Bank – 2008 – 2010

Executive Management Profile

Executive	Qualification	Experience
Charlotte Amanquah	EMBA, Finance – 2014 ACCA Qualified Member – 2011 B.Sc. Administration – Accounting – 2001	Head, Commercial Banking – 2020 – Date Head, Public Sector, Commercial Banking – 2016 – 2020 Deputy Head, SME, Domestic Bank, Ecobank – 2013 – 2016 Head, SME (Medium Enterprise), Domestic Bank, Ecobank – 2012 – 2013 Head, Business Banking, The Trust Bank – 2011 – 2012 Head, Middle Office, Business Banking, The Trust Bank – 2008 – 2011
Tara Squire	Bachelor of Arts Social Sciences – 1998	Ag Head, Consumer Banking, Dec. 2023 – Date Group Head, Consumer Products, 2020 to date Commercial Director, Millicom Ghana, 2014 – 2017 Chief Commercial Officer, Blu Telecommunications 2013 – 2014 Head, Consumer Marketing, Vodafone Ghana – 2011 – 2013 Usage and Retention Manager, Airtel Ghana, 2010-2011
Peter Kuma Dzasa	2017 ACI Dealing Certificate 2011 MBA Oxford Brookes University, UK 2007 Fellow – (ACCA,) UK 2003 BSc. Admn. (Accounting Option) University of Ghana, Ghana	Ag Country Treasurer, 2022 – Date Head, Trading – 2017 – 2022 Operations Supervisor – 2016 – 2017 Country Treasurer – Malawi, 2013 – 2016 Snr Treasury Sales Officer – 2009 – 2013
Patrick Kwao Bleboo	FCCA – UK 2008 Institute of Chartered Accountants – 2004 ACCA – 2002 MBA (Accounting) – 2001 B.Sc. (Accounting) – 1994	Head, Operations & Technology – 2021 – Date Business Manager, AWA, 2019 – 2021 Head, Internal Control – 2017 – 2019 Credit Risk Manager, Corporate Bank, 2015 – 2017 Country Risk Manager – Ecobank Zambia, 2011 – 2012 Country Risk Manager – Ecobank Tanzania, 2009 – 2011 Country Risk Manager – Ecobank Kenya, 2008 – 2009

Executive Management Profile

Executive	Qualification	Experience
Albert Bartlett-Mingle	MBA (Finance) – 2011 ICA – 1999 Ghana Institute of Taxation – 1997 Diploma in Education-1996 B. Com (Accounting and Management) – 1997	Head, Internal Control – 2018 to date Head, Audit and Compliance – 2008 – 2018 Deputy Head, Audit and Compliance – 2005 – 2008 Audit and Compliance Supervisor – 2003 – 2005 Account Officer, 1998 – 2002
Rolland Djang (Jnr.)	MBA – 2000 Post Degree Qualification in Law 1995 Solicitors' Professional Qualification (Law Society of Britain) – 1991 LL.B (Hons) – 1991	Head, Compliance – 2017 – Date Group Manager, Performance Management – 2016 – 2017 HR Implementation Manager, Ecobank Angola 2015 – 2016 Group HR Operations Manager – Affiliates, 2013 – 2015 HR Head, Liberia and Cluster Head WAMZ – 2010 – 2013
Philip Baabereyir Bertino	Certified BCMS (ISO 22301) Lead Auditor – 2021 Certified ISMS (ISO 27001) Lead Auditor – 2021 B.Sc. Administration – Jun 2000 MBA – 2020 Certified Information Systems Auditor – Aug 2014 Certified Risk-Based Auditor – Apr 2013 Certified Internal Auditor – May 2012 Chartered Certified Accountant – Sep 2005	Head, Internal Audit – 2018 to date Internal Audit Manager – 2014 – 2018 Audit Supervisor – 2010 – 2014 Audit Officer – 2007 – 2010 Chief Project Accountant, Baywater Construction and Mining – 2004 – 2006 Audit Associate – KPMG – 2001 – 2003
Daniel Kasser Tee	Fellow – CIMG Fellow – American Academy of Project Management (PhD) Marketing MBA in Project Management Post Graduate Diploma in Marketing B.Sc. Administration (Marketing)	Ag Head, Marketing and Corporate Communications, 2022 to date Deputy Head, Marketing and Corporate Communications – 2017 – 2022 Head, Marketing – 2015 – 2017 Head of Communications and Public Relations 2012 – 2014 Head, Marketing and Corporate Affairs, The Trust Bank – 2003 -2012

DIRECTORS			BOARD OF DIRECTORS	
	Role	Year appointed	Number of meetings in the year	Attendance
Mr. Samuel Ashitey Adjei	Chairman	2022	5	5
Ms. Joana Mensah	Acting Managing Director	2023	2	2
Mr. Henry Dodoo-Amoo	Non-Executive	2017	5	5
Dr. Ohene Aku Kwapong	Non-Executive	2017	5	5
Dr. John Ofori-Tenkorang	Non-Executive	2017	5	5
Dr. Edward Nartey Botchway	Non-Executive	2016	5	5
Mrs. Patience Enyonam Akyianu	Non-Executive	2019	5	5

DIRECTORS			GOVERNANCE & ETHICS COMMITTEE	
	Role	Year appointed	Number of meetings	Attendance
Dr. John Ofori-Tenkorang	Committee Chairperson	2022	5	5
Mr. Samuel Ashitey Adjei	Non-Executive	2022	5	5
Mr. Henry Dodoo-Amoo	Non-Executive	2017	5	5

DIRECTORS			RISK MANAGEMENT COMMITTEE	
	Role	Year appointed	Number of meetings	Attendance
Mr. Henry Dodoo-Amoo	Committee Chairperson	2017	4	4
Dr. Ohene Aku Kwapong	Non-Executive	2017	4	4
Mrs. Patience Akyianu	Non-Executive	2019	4	4

DIRECTORS			AUDIT & COMPLIANCE COMMITTEE	
	Role	Year appointed	Number of meetings	Attendance
Mrs. Patience Akyianu	Committee Chairperson	2019	5	5
Dr. John Ofori-Tenkorang	Non-Executive	2022	5	5
Dr. Ohene Aku Kwapong	Non-Executive	2017	5	5

Overall Attendance Score: 100%

Role of the Board

The Directors are responsible for the long-term success of the Bank. They determine the strategic direction of the Bank and review operating, financial and risk performance. There is a formal schedule of matters reserved for the Board of Directors, including approval of the Bank's annual business plan, strategy, acquisitions, disposals and capital expenditure projects above certain thresholds, treasury policies, the financial statements, the Bank's dividend policy, transactions involving the issue or purchase of shares, borrowing powers, appointments to the Board, alterations to the regulations, legal actions brought by or against the Bank and the scope of delegations to the Board and Board committees. Responsibility for the development of policy and strategy and operational management is delegated to an executive management committee, which as at the date of this report includes one (1) executive director and nine (9) senior managers.

Governance structure

The performance criteria used to assess the effectiveness of the Board as a whole and of individual directors, reflect in the seven broad segments indicated as follows:

Number	Segment
1.	Board structure
2.	Board meetings
3.	Board responsibilities
4.	Board & Management relationship
5.	Board Committees
6.	Other information & resources available to the Board
7.	Other related matters

Board Committees

There are three Board Committees namely the Governance & Ethics Committee, Audit & Compliance Committee and the Risk Management Committee. The terms of reference for the respective committees are set out in the Ecobank Corporate Governance Charter.

The summary of work carried out by the Committees is indicated hereunder and the focus of the next year will follow the same lines.

Committee	Calendar of Activities	Summary of work	Meeting Dates in 2023
Governance & Ethics	4 quarterly meetings & 1 extraordinary meeting	Reviewed quarterly Board reports on Human resources. Reviewed quarterly updates on labour cases. Handled petitions of former staff. Reviewed candidates for appointment to the Board and made recommendations on their appointments. Ensured periodic evaluation of the Board and its Committees. Reviewed all issues relating to sound governance practice.	21 February 3 May 18 July 31 August 2 November
Audit & Compliance	4 quarterly meetings & 1 extraordinary meeting	Reviewed internal and external audit reports. Reviewed the quarterly, half-yearly and annual financial results before the Board's review and approval. Reviewed quarterly Board reports submitted by Internal Audit, Internal Control and Compliance functions. Organized periodic discussions with the Departments of Internal Audit and Financial Control	21 February 3 May 18 August 31 August 2 November
Risk Management	4 quarterly meetings	Reviewed periodic risk management portfolio reports and assessed portfolio performance. Reviewed risk approval limits for Management. Provided high level oversight and critique of the design and execution of the scenario analysis and stress-testing of the Bank. Reviewed quarterly updates on cyber security provided by the Chief Information Security Officer.	21 February 3 May 31 August 2 November

Directors' performance evaluation

As part of measures to review the effectiveness of the corporate governance practices and procedures, the Board carried out a self-assessment of members and committees.

In line with the Corporate Governance Directive 2018, the Board also engaged an Independent Consultant (PricewaterhouseCoopers) to facilitate a formal and rigorous independent evaluation of its processes and performances, including its sub-committees, and of individual Board members. The evaluation was done in 2022 in respect of 2021 using questionnaires and direct interviews of individual directors.

The areas covered included the following:

- Board Structure, Composition and Membership
- Sustainability corporate ethics and culture complaints and resolutions
- Company secretariat assessment & support
- Risk management compliance & internal control
- Relationship and communication with stakeholders
- Operations of Board Committees

Overall, it was noted that the Board of Directors and its committees were operating in an effective manner and performing satisfactorily. An action plan with well defined deadlines was put in place to address two observed concerns. Two Departments were tasked to resolve the issues within the timelines imposed and this was done to the satisfaction of the Board. This is the manner in which recommendations and key findings from previous assessments have been dealt with. The full report was duly submitted to the BoG.

The last date of reporting to the Bank of Ghana was in 2022 for 2021. The next evaluation is due to be carried out in 2024 for 2023.

The Board has also adopted standard evaluation tools that help assess the performance of the Board, its committees, and individual members on an annual basis

Professional development and training

On appointment to the Board, Directors are provided with a full, formal, and tailored programme of induction to familiarise them with the Bank's businesses, the risks and strategic challenges the Bank faces, as well as the economic, competitive, legal and regulatory environment in which the Bank operates. A programme of strategic and other reviews, together with the other training provided during the year, ensures that Directors continually update their skills and knowledge of the Bank's businesses. They are also kept abreast with developments in the sectors in which the Bank operates including risk, regulatory, legal, financial, and other areas to enable them fulfill effectively, their role on the Board and its committees.

The Board undertook training in cyber security facilitated by the in-house CISO. The Directors also completed the Board Corporate Governance certification programmes for 2022 and 2023 organized and certified by the National Banking College. Additionally, the Board participated in the corporate governance training programme for Directors and Principal Officers of Capital Market Operators arranged by the Securities & Exchange Commission.

Annual Certification on Corporate Governance

The Board of Directors hereby certifies as follows:

- Ecobank Ghana PLC has duly complied with the contents of the Bank of Ghana Corporate Governance Directives, 2018.
- The Board has independently assessed and documented that the corporate governance process of Ecobank Ghana PLC is effective and has successfully achieved its objectives.
- Members of the Board of Directors of Ecobank Ghana PLC are aware of their responsibilities to the Bank as persons charged with governance.
- Certification has been obtained from the National Banking College on the completion of Corporate Governance training by the Board.

Conflicts of interest

The Bank has established appropriate conflicts authorisation procedures, whereby actual or potential conflicts are regularly reviewed, and authorisations sought as appropriate. During the year, no such conflicts arose, and no such authorisations were sought.

All directors of Ecobank Ghana PLC declare to the Board of Directors of Ecobank Ghana PLC and Bank of Ghana their professional interest and offices they hold as Manager, Director or Trustee, Investment interest in a firm, company as a significant shareholder, partner, or proprietor.

The Ecobank Conflict of Interest policy requires all Board members to avoid possible activities that could create conflicts of interest, disclose any matter that may result or has already resulted in a conflict of interest and abstain from voting on any matter where the director may have conflict of interest.

Directors are obliged under the Conflict of Interest policy to declare any material change in business interest or holding of an office when that change occurs. Where a board member has an interest in a proposed credit facility to be granted by the Bank, or a transaction that is proposed to be entered into with any other person , the board member concerned shall declare the nature and the extent of that interest to the Board of Directors and shall not take part in the deliberations and the decision of the Board of Directors with respect to that facility or request.

Board balance and independence

The composition of the Board of Directors and its committees is regularly reviewed to ensure that the balance and mix of skills, independence, knowledge and experience is maintained. The Board considers that the Chairman is independent on appointment and all non-Executive Directors are independent as it pertains to the management of the Bank. The continuing independent and objective judgement of the non-Executive Directors has been confirmed by the Board of Directors.

Corporate social responsibility

Corporate social responsibility activities can be found at note 45.

Holding company

The Bank is a subsidiary of Ecobank Transnational Incorporated (ETI), a company incorporated in the Republic of Togo. ETI owns 68.93% of the issued ordinary shares of the Bank.

Voting rights

Subject to any rights or restrictions for the time being attached to any class of preference shares and which may be validly attached thereto pursuant to Section 52 of the Companies Act, 2019 (Act 992):

(a) Voting on an issue is by show of hands of each Member and each Proxy lawfully present at the Meeting shall have one vote, and on a poll each Member present or by Proxy shall have one vote for each Share held by him.

(b) In the event of a Postal Ballot being directed pursuant to sub-paragraphs (f), (g) and (h) of paragraph 16 of the Eighth Schedule of the Companies Act, 2019 (Act 992), each Member entitled to attend and vote at the Meeting shall have one vote for each share held.

Approval of the consolidated and separate financial statements

The consolidated and separate financial statements of Ecobank Ghana PLC were approved by the Board of Directors on 27 March 2024 and signed on their behalf by:

Signed Chairman	Signed Director

CORPORATE GOVERNANCE

Corporate Governance is important to the Bank as it seeks to implement the ideals of fairness, transparency, accountability, and responsibility in its dealings with all stakeholders. Ecobank also recognises, as a banking group, the critical nature of its relationships with its Regulators in executing its vision and safeguarding the deposits of the general public and other lenders. To this end, the Bank ensures that the interests of stakeholders are taken into account in a balanced and transparent manner. Ecobank believes that only good governance can deliver sustainable good business performance. The Ecobank Group Corporate Governance Charter sets out the structures and processes that are followed by the Group to build credibility, ensure transparency and accountability across the Ecobank Group.

As members of the Ecobank Group, Ecobank Ghana and its subsidiaries operate according to Corporate Governance Directives issued by the Bank of Ghana as well as the Ecobank Transnational Incorporated (ETI) Group principles and practices on corporate governance. The principles and practices therein are based on the Basel Committee standards on corporate governance, which constitute the best of international practice in this area.

The Board certifies that the Bank is compliant with the requirements of the Corporate Governance Directive, 2018. The Board has independently assessed and documented that the corporate governance process of the Bank is effective and has successfully achieved its objectives or otherwise. Directors are aware of the responsibilities to the Bank as persons charged with governance.

The Board has a formal written conflicts of interest policy and an objective compliance process for implementing the policy. The policy includes: a) the duty of the director to avoid possible activities that could create conflicts of interest; b) a review or approval process for directors to follow before they engage in certain activity so as to ensure that such activity will not create a conflict of interest; c) the duty of the director to disclose in addition to section 59 of the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930), any matter that may result, or has already resulted in a conflict of interest; d) the responsibility of the director to abstain from voting as prescribed under section 59 of the Act and on any matter where the director may have conflict of interest; e) adequate procedures for transactions with related parties to be made on a non-preferential basis; and f) the way in which the Board will deal with any non-compliance with the policy.

The independent non-executive Board Chairman is responsible for relations with minority shareholders.

The Board of Directors

The Board is responsible for setting the institution's strategic direction, leading and controlling the Bank and monitoring activities of executive management. As of 31 December 2023, the Board of Directors of Ecobank Ghana consisted of eight (8) members made up of an independent Non-executive Chairman, six (6) Non-executive Directors, four (4) of whom are independent and one (1) Executive Director. These Board members have wide experience and in-depth knowledge of management, industry, and the financial and capital markets, which enable them to make informed decisions and valuable contributions to the Bank's business.

Regarding term limits, a non-executive director shall be elected for a period of three (3) years at a time and shall be eligible for re-election provided that no individual shall serve as a director for a cumulative period of more than nine (9) years. A person who is more than 70 years old shall, subject to local laws retire at the next Annual General Meeting following their 70th birthday. An Executive Director shall retire as Director upon attaining the mandatory retirement age for employees or on termination of their employment for whatever reason. The term of the Chairman shall not exceed six (6) years.

The Board has adopted standard evaluation tools that help assess the performance of the Board, its committees, and individual members on an annual basis. The Board and all Directors are also periodically evaluated by an independent external firm in order to assess the effectiveness of the Board as well as the contribution of the individual Directors.

The Board met five (5) times during the year. The Board has delegated various aspects of its work to the Governance, Audit and Compliance, Credit and Risk Management Committees.

Governance and Ethics committee

This Committee is chaired by Dr. John Ofori-Tenkorang (a non-executive Director) and has as its members, Mr. Samuel Ashitey Adjei and Mr. Henry Dodoo-Amoo. The Committee met five times in the year ended 31 December 2023.

The role of the Committee includes:

- Handling relationships with regulators and third parties.
- Handling relationships with shareholders.
- Evaluating the performance of board members and various committees;
- Reviewing all issues relating to governance.
- Reviewing and recommending the appointment of Directors.
- Reviewing the organisational structure of the Bank to ensure it conforms to the standard Group structure.
- Setting criteria, in line with Group policies, for recruitment of staff.
- Ensuring human resource management policies align with the Group Human Resource policies.
- Evaluating the performance of management staff and making recommendations for approval by the Board.
- Recommending disciplinary actions against erring management staff.
- Recommending appropriate levels of remuneration and packages for staff.
- Reviewing succession plan for key positions; and
- Any other responsibilities as may be assigned by the Board.

Audit and compliance committee

The Audit and Compliance Committee has as its Chairperson, Mrs. Patience Akyianu, an independent non-executive Director. This Committee includes two (2) other non-executive members of the Board; Dr. Ohene Aku Kwapong and Dr. John Ofori-Tenkorang. The Managing Director, Chief Finance Officer, Chief Internal Auditor and if need be, a representative of the external auditors, sit in attendance. The Committee met five (5) times in the year ended 31 December 2023.

The role of the committee includes:

- Reviewing the internal audit function, its mandate and audit activities.
- Reviewing internal and external audit reports, particularly reports of regulatory and monetary authorities and supervising the implementation of recommendations.
- Facilitating dialogue between auditors and management on the outcome of audit activities.
- Proposing external auditors and their remuneration.
- Working with the external auditors to finalise the annual financial statements for Board approval.
- Reviewing the dividend policy and issues relating to the constitution of reserves.
- Reviewing quarterly, half-yearly and annual financial results before the Board's review and approval
- Setting up procedures for selecting suppliers, consultants and other service providers and ensuring compliance therewith.
- Organising periodic discussions with the Internal Audit and Finance departments.

- Defining appropriate measures to safeguard assets of the Bank;
- Ensuring compliance with all applicable laws and regulations and operating standards.
- Reviewing, approving and following up major contracts, procurement and capital expenditures.
- Reviewing actual spending against budget; and
- Reviewing and approving proposals for extra-budgetary spending.

External auditors

External auditors are appointed through a bidding process on a rotational basis for a period outlined by the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The external auditors present and discuss their audit findings with the Board and Audit & Compliance Committee.

Internal auditors

The internal audit function is structured to provide an independent assessment of the adequacy of, and compliance with, established policies and procedures. The function plays a critical role in providing independent and objective assurance to the Board of Directors and management on the effectiveness of the bank's governance, risk management, and internal control processes.

The Chief Internal Auditor (CIA) reports directly to the Board Audit and Compliance Committee to ensure independence and objectivity of audit assessments. The internal audit function operates under a charter approved by the Board Audit and Compliance Committee that spells out its purpose, authority and responsibilities, which include conducting audits, reviews, and assessments across all areas of the bank. The department's scope of work encompasses financial and operational audits, compliance audits, and special investigations as necessary.
During the 2023 financial year, the internal audit department conducted a comprehensive range of audit activities in accordance with its approved annual audit plan. The audits covered various aspects of the organization, including financial controls, operational processes, and compliance with regulatory requirements. The internal audit department continues to provide valuable insights and recommendations to management and the Board of Directors to enhance the bank's internal controls and risk management processes.

The CIA has free and unrestricted access to the Board of Directors and holds private meetings with them without the presence of management. Also, the annual performance appraisal of the CIA is caried out by the Board Audit and Compliance Committee who give feedback regarding the effectiveness of the internal audit function including the adequacy and effectiveness of audit coverage and findings.

Risk management committee

The Committee has Mr. Henry Dodoo-Amoo (a non-executive director) as its Chairman. Other members are Dr. Ohene Aku Kwapong and Mrs. Patience Akyianu, also non-executive directors. The role of the committee includes:

- Reviewing and approving risk policy changes initiated by Management.
- Ensuring compliance with the Bank's risk policies and statutory requirements prescribed by the regulatory or supervisory authorities;
- Reviewing periodic risk management portfolio reports and assess portfolio performance;
- Reviewing operational, market, reputational and legal risk management.
- Approving all credits within limits defined in Group Credit Policy and within the statutory requirements set by the respective regulatory and supervisory authorities.
- Reviewing and endorsing credits approved by executive management.
- Reviewing and recommending to the full Board, credit policy changes initiated by executive management.

- Ensuring compliance with the Bank's credit policies and statutory requirements prescribed by the regulatory and supervisory authorities.
- Reviewing periodic credit portfolio reports and assessing portfolio performance; and.
- Approving exceptions, write-offs, and discounts of non-performing credit facilities.

Annual Meeting Calendar

The annual meeting calendar of the Board of Directors and summary of work carried out during the year is as follows:

Meeting dates for 2023	Summary of work
21 and 22 February	Review and approval of Accounts
3 and 4 May	Review of 1st quarter performance
8 June	Annual General Meeting
18 August	Extraordinary Board Meeting
31 August and 1 September	Review of 2nd quarter performance
2 and 3 November	Review of 3rd quarter performance and tentative year end performance

The focus of the next year will follow the same lines.

Management Reporting Structures

The Board is kept abreast with the performance of the Bank against the strategic plan and budget by way of monthly business review reports circulated by the Chief Finance Officer. Quarterly Board reports are also presented by Executive Management covering the business, risk management, cyber security, controls, human resources, operations and pending lawsuits. Key developments in the financial system and Directives, Notices, and Guidelines issued by the BOG also feature in the Board reports from the Compliance function.

Business continuity plan

The Bank has a business continuity and disaster recovery plan that will enable it respond to unplanned significant interruptions in essential business functions that can lead to the temporary suspension of operations. It provides guidelines to fully recover operations and ensure coordinated processes of restoring systems, data and infrastructure to enable essential client needs to be met until normal operations are resumed. The plan is tested at least three times every year to assess the readiness of the Bank to respond to unplanned interruptions of operations.

Code of business ethics

All employees are required under the Bank's Rules on Business Ethics (RBE) to sign-off to confirm that they have read, understood and agree to comply with the Rules on Business Ethics.

Management has communicated principles in the Bank's Code of Conduct to its employees to provide guidance in the discharge of their duties. This code sets the standards of professionalism and integrity required for the Bank's operations. It covers compliance with applicable laws, conflicts of interest, environmental issues, reliability of financial reporting, bribery, and strict adherence to laid down principles, so as to eliminate the potential for illegal practices.

The Board, Management, and staff of Ecobank are expected to adhere to the highest behavioural standards and ethics. At Ecobank Ghana PLC good decisions and ethical choices are engrained in the culture, as this builds trust with the Bank's customers and all stakeholders.

In line with the Group Code of Conduct, the questions asked are: Is It Right, Good And Fitting.

All Directors of Ecobank Ghana PLC upon assuming office, sign the Ecobank Code of Conduct for directors to the effect that they understand the code and its accompanying sanctions for breach of the code.

As part of the commitment of the Board and Management to maintain confidence and integrity in the Bank, the leadership team at Ecobank strictly enforces the requirements of various policies, including but not limited to the Operations Policy Manual, Ecobank Credit Policy & Procedure Manual, Ecobank Conflict of Interest policy, Ecobank Rules on Business Ethics, Ecobank Code of Conduct, Ecobank Whistle Blowing policy, Ecobank Data Protection policy and the AML/CFT & Sanctions Policy.

Share trading policy

The Bank has a policy to govern trading in the shares of the Bank by directors, Key Management Personnel and employees.

Succession planning

The Board conducts gender and competencies gap analyses in the selection of Directors to ensure that it has an appropriate diversity of skills, backgrounds, and viewpoints. The Bank has a succession plan in place for Key Management personnel.

Remuneration Policy

The Bank's remuneration policy is embedded in the Ecobank Corporate Governance Charter, and it requires that the Board oversees the design and operation of the compensation/remuneration system. It also requires that the Board ensures that remuneration is tied to performance. The Board ensures that levels of remuneration are sufficient to attract, retain, and motivate executive officers of the Bank by periodic cost of living adjustments and salary reviews based on compensation surveys.

The Bank operates a performance-based remuneration system where high performers are rewarded for their contribution to the performance of the bank. The remuneration system is made up of short term guaranteed cash and variable pay. The variable elements are designed to manage excessive risk taking. Management has restricted how much variable pay (bonus) can be paid in any given year to an employee with any excess amount spread over three (3) years.

The Bank's executive remuneration policy is designed to ensure the long-term sustainability of the bank. It rewards long service and offers gratuity payment for employees who have worked in the bank for over 15 years and are over the age of 50 years. This has ensured the retention of top talent in the Bank and led to low staff attrition.

A committee of independent directors determine the remuneration of non-executive directors subject to the approval of shareholders at annual general meeting.

Internal control systems

The Bank has a well-established internal control system for identifying, managing and monitoring risks. These are designed to provide reasonable assurance that risks faced by the Bank are reasonably controlled. The corporate internal audit and compliance function of the Bank play a key role in providing an objective view and continuing assessment of the effectiveness of the internal control systems in the business. The systems of internal control are implemented and monitored by appropriately trained personnel, with clearly defined duties and reporting lines.

The Directors have overall responsibility for the Bank's internal control systems. The Directors annually review the effectiveness of internal controls, including a review of financial, operational, compliance and risk management controls. The implementation and maintenance of the risk management and internal control systems are the responsibility of the Executive Committee. The systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and to provide reasonable, but not absolute, assurance against material misstatement or loss.

The Directors have reviewed the effectiveness of the internal control systems, including controls related to financial, operational, and reputational risks identified by the Bank as of the reporting date and no significant failings or weaknesses were identified during this review.

Whistleblowing policy

The Bank believes in and has adopted the highest standards of ethical behaviour to ensure that any form of malpractice is dealt with and mitigating action taken. Employees are therefore encouraged to uphold these virtues by always acting in good faith and also alerting the appropriate authority of any identified malpractice, concern or suspicious activity or behaviour within the Bank. In all cases, employees who blow the whistle in good faith about perceived malpractices or concerns within the Bank shall be protected by the Bank. The Bank shall blow the whistle whenever its business relationships or customers act in breach of local laws and regulations, or they do not adopt the required ethics required in conducting banking activities. The process for whistleblowing is well documented in a policy established by the Bank and made available to all staff.

Anti-money laundering

The Bank also has an established anti-money laundering system in place in compliance with requirements of Ghana's Anti-Money Laundering Act, 2020 (Act 1044).

These include due diligence for opening new accounts, customer identification, monitoring of high risk accounts, record keeping and training and sensitisation of staff on money laundering, which assist in reducing regulatory and reputational risks to its business. Staff members receive training on anti-money laundering policies and practices.

Training and capacity building programmes

The Board undertook training in cyber security facilitated by the in-house CISO. The Directors also completed the Board Corporate Governance certification programmes for 2022 and 2023 organized by the National Banking College. Additionally, the Board participated in the corporate governance training programme for Directors and Principal Officers of Capital Market Operators arranged by the Securities & Exchange Commission.

Risk management disclosure

a) The Bank has put in place systems for ensuring compliance with all prudential requirements;

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

c) The risk management and internal control systems in place are operating effectively and are adequate;

d) The Bank has a Risk Management Strategy that complies with this Directive, and has complied with the requirements described in its RMS and;

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

CORPORATE SOCIAL RESPONSIBILITY

This report covers the key Corporate Social Responsibility (CSR) activities embarked on by Ecobank Ghana from January 2023 to December 2023. These CSR programmes are designed to highlight the bank's unwavering commitment and dedication to fostering positive change and sustainable development within society, particularly, the communities that we serve. To provide value for all stakeholders, the bank engages in various CSR activities across many communities in Ghana usually undertaken in line with the four key CSR pillars of Education, Health, Financial Inclusion, and Environmental Sustainability, as incorporated in the CSR policy of the Ecobank Group.

KEY ACTIVITIES UNDERTAKEN IN 2023

Shai Jorpanya Public School Block Refurbishment

Ecobank, in its unwavering commitment to promoting education, provided support for the refurbishment of the Shai Jorpanya basic school as part of its 2022 Ecobank Day celebrations (the project commenced late and could not be completed within the 2022 financial year). The project, which is strategically located at Manya Jorpanya, will among other things provide a conducive, modern teaching and learning environment for the school. By this, Ecobank has further demonstrated its commitment to helping to raise standards of education in deprived communities, thereby contributing to the overall development of Manya Jorpanya and its immediate environs.

University of Ghana Best Engineering Students Award

Ecobank demonstrated a forward-looking commitment to the future of engineering education in Ghana, pledging to sponsor the Best Engineering Students Award at the University of Ghana over the next five years. Presenting the award, Mr Dan Sackey indicated that; “Ecobank is making this presentation, as part of our commitment to sponsoring this award for 5 years, starting from 2023. We are therefore happy presenting a token cedi equivalent of USD500 plus 1 laptop computer. We are also open and ready to engage Mr. Kobina Acquah Korankye for a 1-year internship period, subject to his acceptance and availability. We will continue to present this same package to subsequent awardees over the 5 years period.”By this investment, Ecobank is actively contributing to academic excellence, particularly in computer engineering.

Ecobank Scholarship Scheme for Under-privileged Children at Village of Hope Orphanage

As part of its commitment to promoting education and social welfare, Ecobank continues to sustain its scholarship scheme for underprivileged children at the Village of Hope Orphanage to promote education. Under this initiative, the bank not only covers the tuition fees for the children but also extends a helping hand to ensure their continuous enrolment in the scholarship programme. Through this initiative, Ecobank is making a lasting impact on the lives of these children.

Ecobank Donates to 3 Communities in the South Tongu and Central Tongu Districts

Ecobank Ghana made corporate donations worth over GHS200,000.00 to three communities in the Volta region affected by floods, following the spillage of the Akosombo and Kpong dams. The three beneficiary communities are Sopkoe in South Tongu District, New Bakpa Zorotodzi and Adidome, both in the Central Tongu District. The donated items included 5,730 bags of sachet water, 675 bags of 5kg rice, and 6 bales of used clothing. The bank also presented assorted medications to the two district hospitals, as part of the donations. These presentations form part of the bank's larger Corporate Social Responsibility activities to support severely affected communities and individuals that had no access to good healthcare and education for their children. Ecobank Ghana, as a corporate entity, and its employees, mobilised resources for these donations to help put smiles on the faces of the affected people. (Pictures available)

SUSTAINABILITY REPORT

This Sustainability Report encompasses the sustainability achievements of Ecobank Ghana PLC, highlighting some of the key milestones covering the period from January 1 to December 31, 2023. It delineates the advancements achieved by the bank in alignment with our Group Sustainability Strategy. It presents information on our performance in sustainable finance and other notable ESG (Environmental, Social, and Governance) areas. Additionally, this report serves as our Communication of Progress (COP) for the United Nations Global Compact (UNGC), fulfilling regulatory requirements set by the Central Bank of Ghana and the Ghana Stock Exchange for all licensed and listed companies.

We, at Ecobank Ghana PLC, proudly affirm the utilization of the Global Reporting Initiative (GRI) Content Index – Essentials with Reference option Service for our 2023 Environmental, Social, and Governance (ESG) and Sustainability Report. Our commitment to GRI Sustainability Reporting Standards reflects our dedication to providing stakeholders with clear and standardized accounts of our ESG performance, impacts, and initiatives. By adopting GRI Standards, we enhance the quality and comparability of our disclosures, allowing stakeholders to make informed assessments of our sustainability practices.

Sustainability Executive

“Sustainability isn't just about doing the right thing; it's about ensuring a cleaner and healthier environment for a better future. Ecobank is not only committed to making a difference today but also to securing a thriving tomorrow for generations to come.”

ECOBANK'S SUSTAINABILITY COMMITMENT

Our commitment to GRI reporting reflects our dedication to providing stakeholders with a clear and standardized account of our ESG performance, impacts, and initiatives. By adopting GRI standards, we enhance the quality and comparability of our disclosures, allowing stakeholders to make informed assessments of our sustainability practices.

At Ecobank Ghana, we perceive sustainability as an essential component of our core mission. It transcends mere terminology or fashion trends; instead, it serves as a foundational value guiding all our actions and endeavors.

The following are the frameworks and standards to which the bank is committed to:

- The United Nations (UN) Sustainable Development Goals.
- The UN Environment Program Finance Initiative (UNEP FI) - We became a member in 2009.
- The UN Principles for Responsible Banking (UN PRB) - We became a signatory in 2019.
- The UN Global Compact (UNGC) - We became a full member in 2022.
- The Equator Principles - We adopted the Principles in 2012.
- Taskforce on Nature-Related Financial Disclosures (TNFD) - We were part of the pilot Institutions in Africa in 2022.
- African Natural Capital Alliance (ANCA) - Ecobank joined in 2021.
- Global Reporting Initiative (GRI) - We report our sustainability performance with reference to the Universal GRI Standards.

Social

For further details of our Sustainability Report and GRI content Index kindly scan the QR Code or click on the URL link provided below to access information on the website.

[2023 Annual Sustainability Report]

01

Zero
incidents of non-compliance reported in 2023

02

Financial digital Inclusion and **Innovation topped** our Materiality Assessment level of Impact

03

Zero
sanctions for breaches related to environmental laws during the reporting period.

04

Ecobank Ghana's gender policy and action plan contributes to fostering an **inclusive** and **diverse work environment**, promoting **gender equality**, and **enhancing overall organizational performance**.

For further details of our Sustainability Report and GRI content Index kindly scan the QR Code or click on the URL link provided below to access information on the website.

2023 Annual Sustainability Report

AUDITOR'S REPORT

Our opinion

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

What we have audited

We have audited the financial statements of Ecobank Ghana Plc and its subsidiaries for the year ended 31 December 2023.

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

Basis for opinion

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

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

Independence

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

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
Impairment allowance on loans and advances to customers – GH¢1.1 billion Gross loans and advances to customers as at 31 December 2023 amount to GH¢10.6 billion out of which an impairment allowance of GH¢1.1 billion was recorded for the Group. The impairment requirements under IFRS 9 are based on Expected Credit Losses (ECL) model. The ECL model estimates the credit losses over the life of financial instruments. The amount of ECL recognised is dependent on the risk of default on the part of the counterparty taking into account: - the criteria for assessing significant increase in credit risk (SICR); - the definition of default adopted by the Group; - methodologies adopted by the Group in modelling the probability of default (PD) and the loss given default (LGD); - exposure at default (EAD) on loans and advances; and - forward looking information and the determination of multiple economic scenarios which considers probability-weighted outcomes. The determination of the expected credit loss is therefore considered as a key audit matter for the consolidated and separate financial statements based on the level of complexity and significant management judgement involved. The accounting policies, critical estimates and judgements and impairment charge are set out in notes 2.9.1, 3.1, 5(a), 12 and 19 to the consolidated and separate financial statements.	We updated our understanding of the key controls within the loan origination, approval, monitoring and recovery processes and tested relevant controls. We assessed the appropriateness of the staging of loans by applying a risk based targeted testing approach to independently determine the staging of selected loans based on customers' repayment history and other qualitative factors including compliance to loan covenants. We checked that the applied definition of default used is consistent with IFRS 9 qualitative default criteria and days past due backstop indicator. We assessed the methodology used in determining the multiple economic scenario for 12-month and lifetime Probability of Default. We tested the reasonableness of the Loss Given Default (LGD) by reviewing collateral values along with assumptions on haircut, recovery rates and time to realisation. We checked that the projected EAD for off-balance sheet exposures over their contractual period and the projected EAD over the remaining lifetime of on-balance sheet exposures based on the behavioural life of revolving facilities were in compliance with the requirements of IFRS 9. We checked the forward-looking information used in the ECL model to independent sources. We also checked the appropriateness of IFRS 9 ECL disclosures in the financial statements.

Key audit matter	How our audit addressed the key audit matter
Expected credit losses on investment securities – GH¢1.9 billion The gross balance for investment securities at 31 December 2023 was GH¢11.7 billion. The associated impairment allowance on the investment instruments was GH¢1.9 billion. The Government of Ghana announced a voluntary Domestic Debt Exchange Programme (DDEP) which sought to exchange existing eligible domestic notes and bonds and to suspend debt service payments on Eurobonds. The Expected Credit Loss (ECL) for investment securities is material to the financial statements in terms of magnitude and level of subjective judgement applied by management. Management segmented the securities into a portfolio of instruments eligible for Ghana's Domestic Debt Exchange Programme (DDEP) and those instruments that are not eligible for the Programme. A modification loss GH¢937.8 million was recognised as a result of the exchange of eligible bonds under the DDEP. The key areas of significant management judgement within the ECL calculation include: - Evaluation of significant increase in credit, definition of default and credit impaired assets focusing on both the qualitative and quantitative criteria used by the Bank; - Incorporation of macro-economic inputs and forward-looking information into the ECL model; - Input assumptions applied to estimate the probability of default (PD), exposure at default (EAD) and loss given default (LGD). The accounting policies, critical estimates and judgements and impairment charge are set out in notes 2.9.1, 5(f), 12 and 20 to the consolidated and separate financial statements.	We obtained an understanding of the DDEP based on the Exchange Memorandum issued by the Government of Ghana. We tested the appropriateness of the staging of the investment securities by independently assessing management's criteria for significant increase in credit risk and definition of default against the requirements of the Standard. We evaluated the appropriateness of forward-looking economic expectations included in the ECL by comparing to independent industry data. We assessed the assumptions relating to discount rate, estimated timing and amount of forecasted cashflows applied within the PD, EAD and LGD for compliance with the requirements of IFRS 9. We tested the mathematical accuracy of the impairment calculation on investment securities. We assessed the appropriateness of the ECL related disclosures for investment securities in the financial statements in accordance with IFRS 9.

Other information

The directors are responsible for the other information. The other information comprises the Corporate Information, Financial Highlights, Report of the Directors, Corporate Governance Framework, Shareholders' Information, Five Year Financial Summary and Value Added Statement, but does not include the consolidated and separate financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report and the Chairman's Address, Sustainability Report, Corporate Social Responsibility, Managing Director's Statement and Business Review, which are expected to be made available to us after that date.

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

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

If, based on the work we have performed on the other information that we 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.

When we read the Chairman's Address, Sustainability Report, Corporate Social Responsibility, Managing Director's Statement and Business Review, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance

Responsibilities of the directors for the financial statements

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

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

The directors are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

ii) in our opinion proper books of account have been kept by the Bank, so far as appears from our examination of those books; and

iii) the Group's statement of financial position and Group's statement of comprehensive income are in agreement with the books of account.

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

i) the accounts give a true and fair view of the state of affairs of the Bank and the results of operations for the period under review;

ii) we were able to obtain all the information and explanations required for the efficient performance of our duties as auditor;

iii) the Bank's transactions were within its powers; and

iv) except as disclosed in note 46, the Bank has, in all material respects, complied with the provisions of this Act.

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

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

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

PricewaterhouseCoopers

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

Statements of Comprehensive Income

(All amounts are expressed in thousands of Ghana cedis)

	Notes	Group		Bank	
		2023	2022	**2023**	2022
		GH¢'000	GH¢'000	**GH¢'000**	GH¢'000
Interest income	6	**4,219,992**	2,933,561	**4,067,419**	2,859,310
Interest expense	7	**(699,119)**	(411,573)	**(595,382)**	(393,334)
Net interest income		**3,520,873**	2,521,988	**3,472,037**	2,465,976
Fee and commission income	8	**604,462**	418,546	**574,787**	402,466
Fee and commission expense	9	**(156,151)**	(82,562)	**(156,151)**	(82,562)
Net fee and commission income		**448,311**	335,984	**418,636**	319,904
Net trading income	10	**1,300,074**	25,252	**1,299,662**	23,520
Other operating income	11	**55,357**	84,137	**55,477**	83,415
Gain on sale of equipment	27(b)	**592**	697	**585**	697
		1,356,023	110,086	**1,355,724**	107,632
Net operating income		**5,325,207**	2,968,058	**5,246,397**	2,893,512
Net impairment charge	12	**(1,820,948)**	(1,705,126)	**(1,822,235)**	(1,697,929)
Modification loss	20	**(937,762)**	-	**(937,762)**	-
Personnel expenses	13	**(666,566)**	(537,918)	**(636,254)**	(514,453)
Depreciation and amortisation	14	**(83,177)**	(74,580)	**(79,397)**	(71,818)
Finance cost on lease liabilities	25	**(6,846)**	(7,950)	**(5,610)**	(7,526)
Other operating expenses	15	**(824,668)**	(669,702)	**(799,161)**	(654,879)
Net income/(loss) before taxes and levies		**985,240**	(27,218)	**965,978**	(53,093)
Income tax expense/(release) (including levies)	16	**(352,541)**	11,914	**(346,499)**	19,548
Net income after tax		**632,699**	(15,304)	**619,479**	(33,545)

The notes on pages 102 to 206 form an integral part of these financial statements.

Statements of Comprehensive Income

(All amounts are expressed in thousands of Ghana cedis)

	Notes	Group 2023 GH¢'000	Group 2022 GH¢'000	Bank 2023 GH¢'000	Bank 2022 GH¢'000
Net income after tax		**632,699**	(15,304)	619,479	(33,545)
Other comprehensive income					
Items that may be reclassified to profit or loss					
Change in value of investment securities measured at FVOCI	36	**435,335**	(355,153)	**435,335**	(355,153)
Items that will never be reclassified subsequently to profit or loss					
Revaluation of land and buildings	27	**-**	674,870	**-**	674,870
Remeasurement of post-employment benefit obligations	22	**-**	(5,164)	**-**	(5,164)
Income tax relating to components of other comprehensive income	17	**(111,761)**	(76,814)	**(111,761)**	(76,814)
Other comprehensive income for the year net of tax		**323,574**	237,739	**323,574**	237,739
Total comprehensive income for the year		**956,273**	222,435	**943,053**	204,194
Profit/(loss) for the year attributable to:					
Parent		**632,600**	(15,322)	**619,479**	(33,545)
Non-controlling interest		**99**	18	**-**	-
Comprehensive income for the year attributable to:					
Parent		**956,174**	222,417	**943,053**	204,194
Non-controlling interest		**99**	18	**-**	-
Earnings per share					
Basic and diluted (in Ghana pesewas)	43	**196**	(5)	**192**	(10)

The notes on pages 102 to 206 form an integral part of these financial statements.

Statements of Financial Position

(All amounts are expressed in thousands of Ghana cedis)

	Notes	Group 2023 GH¢'000	Group 2022 GH¢'000	Bank 2023 GH¢'000	Bank 2022 GH¢'000
Assets					
Cash and balances with banks	18	**11,256,764**	6,398,282	**11,255,251**	6,443,617
Loans and advances to customers	19	**9,517,709**	8,866,042	**9,444,131**	8,802,239
Non-pledged trading assets	20(a)	**213,016**	1,116,676	**213,016**	1,116,676
Non-trading assets	20(b)	**9,816,651**	6,743,075	**9,775,154**	6,617,538
Other assets	21	**749,097**	933,597	**717,807**	924,487
Current income tax asset	16	**-**	85,256	**-**	80,083
Deferred income tax asset	17	**752,527**	420,843	**747,495**	416,840
Investment in subsidiaries	23	**-**	-	**22,562**	39,883
Right-of-use-assets	25	**72,360**	48,318	**62,472**	38,670
Intangible assets	26	**6,143**	20,695	**5,988**	20,690
Property and equipment	27	**1,260,397**	1,255,289	**1,258,760**	1,253,410
Non-current assets held for sale	24	**18,000**	19,952	**18,000**	19,952
Total assets		**33,662,664**	25,908,025	**33,520,636**	25,774,085
Liabilities					
Deposits from banks	28	**2,358,229**	1,843,006	**3,010,316**	2,635,136
Deposits from customers	29	**26,338,790**	20,423,861	**25,642,117**	19,590,418
Borrowings	30	**149,228**	9,972	**149,228**	9,972
Other liabilities	31	**1,059,966**	860,236	**1,023,772**	819,338
Current income tax liability	16	**32,923**	-	**37,304**	-
Lease liabilities	25	**61,460**	65,155	**54,218**	58,593
Total liabilities		**30,000,596**	23,202,230	**29,916,955**	23,113,457
Equity and reserves					
Stated capital	32	**416,641**	416,641	**416,641**	416,641
Retained earnings	33	**1,678,134**	1,199,629	**1,626,794**	1,160,919
Statutory reserve	34	**719,636**	641,710	**713,295**	635,860
Credit risk reserve	35	**124,292**	48,123	**124,292**	48,123
Other reserves	36	**722,659**	399,085	**722,659**	399,085
Non-controlling interest	37	**706**	607	**-**	-
Total equity attributable to equity holders		**3,662,068**	2,705,795	**3,603,681**	2,660,628
Total liabilities and equity		**33,662,664**	25,908,025	**33,520,636**	25,774,085

The notes on pages 102 to 206 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 27 March 2024 and signed on its behalf by:

Signed
CHAIRMAN

Signed
DIRECTOR

Statements of Changes in Equity

(All amounts are expressed in thousands of Ghana cedis)

Group	Stated capital	Retained earnings	Statutory reserve	Credit risk reserve	Other reserves	Non-controlling interest	Total
At 1 January 2023	**416,641**	**1,199,629**	**641,710**	**48,123**	**399,085**	**607**	**2,705,795**
Profit for the year	-	632,600	-	-	-	99	**632,699**
Other comprehensive income, net of tax	-	-	-	-	323,574	-	**323,574**
Total comprehensive income for the year	-	**632,600**	-	-	**323,574**	**99**	**956,273**
Regulatory transfers							
Statutory reserve	-	(77,926)	77,926	-	-	-	-
Credit risk reserve	-	(76,169)	-	76,169	-	-	-
Total regulatory transfers	-	**(154,095)**	**77,926**	**76,169**	-	-	-
At 31 December 2023	**416,641**	**1,678,134**	**719,636**	**124,292**	**722,659**	**706**	**3,662,068**

Group	Stated capital	Retained earnings	Statutory reserve	Credit risk reserve	Other reserves	Non-controlling interest	Total
At 1 January 2022	416,641	1,463,241	641,525	-	161,346	589	2,683,342
Loss/(profit) for the year	-	(15,322)	-	-	-	18	(15,304)
Other comprehensive income, net of tax	-	-	-	-	237,739	-	237,739
Total comprehensive income for the year	-	(15,322)			237,739	18	222,435
Transactions with equity holders							
Dividends paid	-	(199,982)	-	-	-	-	(199,982)
Total distribution to equity holders	-	(199,982)	-	-	-	-	(199,982)
Regulatory transfers							
Statutory reserve	-	(185)	185	-	-	-	-
Credit risk reserve	-	(48,123)	-	48,123	-	-	-
Total regulatory transfers	-	(48,308)	185	48,123	-	-	-
At 31 December 2022	416,641	1,199,629	641,710	48,123	399,085	607	2,705,795

The notes on pages 102 to 206 form an integral part of these financial statements.

Statements of Changes in Equity
(All amounts are expressed in thousands of Ghana cedis)

Bank	**Stated capital**	**Retained earnings**	**Statutory reserve**	**Credit risk reserve**	**Other reserves**	**Total**
At 1 January 2023	**416,641**	**1,160,919**	**635,860**	**48,123**	**399,085**	**2,660,628**
Profit for the year	-	619,479	-	-	-	**619,479**
Other comprehensive income, net of tax	-	-	-	-	323,574	**323,574**
Total comprehensive income for the year	**-**	**619,479**	**-**	**-**	**323,574**	**943,053**
Regulatory transfers						
Statutory reserve	-	(77,435)	77,435	-	-	-
Credit risk reserve	-	(76,169)	-	76,169	-	-
Total regulatory transfers	**-**	**(153,604)**	**77,435**	**76,169**	**-**	**-**
At 31 December 2023	**416,641**	**1,626,794**	**713,295**	**124,292**	**722,659**	**3,603,681**

Bank	**Stated capital**	**Retained earnings**	**Statutory reserve**	**Credit risk reserve**	**Other reserves**	**Total**
At 1 January 2022	416,641	1,442,569	635,860	-	161,346	2,656,416
Loss for the year	-	(33,545)	-	-	-	(33,545)
Other comprehensive income, net of tax	-	-	-	-	237,739	237,739
Total comprehensive income for the year	-	(33,545)	-	-	237,739	204,194
Transactions with equity holders						
Dividend paid	-	(199,982)	-	-	-	(199,982)
Total contribution by distribution to equity holders	-	(199,982)	-	-	-	(199,982)
Regulatory transfers						
Credit risk reserve	-	(48,123)	-	48,123	-	-
Total regulatory transfers	-	(48,123)	-	48,123	-	-
At 31 December 2022	416,641	1,160,919	635,860	48,123	399,085	2,660,628

The notes on pages 102 to 206 form an integral part of these financial statements.

Statements of Cash Flows

(All amounts are expressed in thousands of Ghana cedis)

	Notes	Group 2023 GH¢'000	Group 2022 GH¢'000	Bank 2023 GH¢'000	Bank 2022 GH¢'000
Cash flows from operating activities					
Cash generated from operations	38	**7,991,932**	4,387,085	**7,993,688**	4,322,191
Tax paid	16	**(677,807)**	(507,709)	**(671,531)**	(498,732)
Cash flows from operating activities		**7,314,125**	3,879,376	**7,322,157**	3,823,459
Cash flow from investing activities					
Government securities – (net)	20	**(2,309,841)**	(1,881,177)	**(2,439,548)**	(1,967,056)
Proceeds from sale of property and equipment	27	**1,216**	697	**1,209**	697
Payments for property and equipment	27	**(48,777)**	(35,731)	**(47,917)**	(34,604)
Disposal of subsidiaries	23	**-**	-	**17,321**	-
Payments for intangible assets	26	**(3,034)**	(2,749)	**(2,811)**	(2,749)
Proceeds from sale of non-current assets held for sale		**1,952**	-	**1,952**	-
Net cash used in investing activities		**(2,358,484)**	(1,918,960)	**(2,469,794)**	(2,003,712)
Cash flow from financing activities					
Repayment of borrowed funds	30	**(24,863)**	(28,290)	**(24,863)**	(28,290)
Loan drawdown	30	**149,000**	-	**149,000**	-
Principal elements of lease payments	25	**(60,544)**	(26,321)	**(56,837)**	(23,005)
Dividend paid		**-**	**(199,982)**	**-**	**(199,982)**
Net cash used in financing activities		**63,593**	(254,593)	**67,300**	(251,277)
Net increase in cash and cash equivalents		**5,019,234**	1,705,823	**4,919,663**	1,568,470
Effects of exchange rate changes on cash and cash equivalents		**703,863**	290,465	**703,863**	292,211
Cash and cash equivalents at beginning of year	18	**3,648,753**	1,652,465	**3,705,708**	1,845,027
Cash and cash equivalents at end of the year	18	**9,371,850**	3,648,753	**9,329,234**	3,705,708

The notes on pages 102 to 206 form an integral part of these financial statements.

1.0 GENERAL INFORMATION

Ecobank Ghana Plc is a limited liability company, incorporated and domiciled in Ghana. These financial statements comprise the consolidated financial statements of the Bank and its subsidiaries (together the Group) and the separate financial statements of the Bank. The Group provides retail, corporate and investment banking and other financial services in Ghana.

The Bank is listed on the Ghana Stock Exchange.

The consolidated and separate financial statements were authorised for issue in accordance with a resolution of the directors on 27 March 2024.

20. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the Group's financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

2.1 Basis of preparation

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

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

The financial statements have been prepared under the below basis:

- Historical cost convention, unless otherwise stated;
- Non-derivative financial instruments, carried at fair value through profit or loss, are measured at fair value;
- Fair value through other comprehensive income (FVOCI) financial assets are measured at fair value through equity;
- The liability for defined benefit obligations is recognized as the present value of the defined benefit obligation less the fair value of the plan assets;

The Group's financial statements comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows and related notes. The financial statements of the Bank standing alone comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and related notes.

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

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

2.2 Changes in accounting policy and disclosures

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2023:

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

Standards and interpretations effective during the reporting period

(i) IFRS 17 Insurance Contracts

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(v) OECD Pillar Two Rules

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

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

The amendments also require affected companies to disclose:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The terms and conditions of SFAs.

1. The carrying amounts of financial liabilities that are part of SFAs and the line items in which those liabilities are presented.

2. The carrying amount of the financial liabilities in (b) for which suppliers have already received payment from the finance providers.

3. The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements.

4. Non-cash changes in the carrying amounts of financial liabilities in (b).

5. Access to SFA facilities and concentration of liquidity risk with finance providers.

The IASB has provided transitional relief by not requiring comparative information in the first year, and also not requiring disclosure of specified opening balances. Further, the required disclosures are only applicable for annual periods during the first year of application. Therefore, the earliest that the new disclosures will have to be provided is in annual financial reports for December 2024 year-ends, unless an entity has a financial year of less than 12 months. 1 January 2024

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

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

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

2.3 Consolidation

The financial statements of subsidiaries used to prepare the consolidated financial statements were prepared as of the parent company's reporting date. The accounting policies of subsidiaries that are consolidated by the group conform to these policies.

(a) Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date - i.e. when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired.

Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if they are related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

(b) Subsidiaries

Subsidiaries are investees controlled by the Group. The Group controls an investee if it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date when control ceases.

The financial statements of the subsidiary used to prepare the consolidated financial statements were prepared as of the Bank's reporting date.

(c) Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealised income and expenses (except foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(d) Separate financial statements

In the separate financial statements, investments in subsidiaries and associates are accounted for at cost less impairment. Cost also includes direct attributable costs of investment.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in 'Ghana cedi' (GH¢), rounded to the nearest thousand.

(b) Transactions and balances

currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when deferred in other comprehensive income. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or costs. All other foreign exchange gains and losses are presented within 'Other (losses)/gains – net'.

Changes in the fair value of monetary securities denominated in foreign currency classified as fair value through other comprehensive income (FVOCI) are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as fair value through other comprehensive income (FVOCI), are included in other comprehensive income.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) are measured and presented in 'Ghana cedi' (GH¢).

2.5 Interest income and expenses

Interest income and expense for all interest-bearing financial instruments are recognised within 'interest income' and 'interest expense' in profit or loss using the effective interest method.

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

2.6 Fee and commission income

Fees and commissions are generally recognised on an accrual basis when the service has been provided. The Group reviews its contracts within different revenue streams to identify, separate and measure the components within the scope of IFRS 15.

Loan commitment fees for loans that are likely to be drawn down are deferred, together with related direct costs, and recognised as an adjustment to the effective interest rate on the loan.

Loan syndication fees are recognised as revenue when the syndication has been completed and the Group has retained no part of the loan package for itself or retained a part at the same effective interest rate as the other participants.

2.7 Dividend income

Dividends are recognised when the entity's right to receive payment is established.

2.8 Net trading income

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

2.9 FINANCIAL ASSETS AND LIABILITIES

2.9.1 Measurement methods

Initial recognition and measurement

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

At initial recognition, the Group measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at FVOCI, which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

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

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

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

(i) Financial assets

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

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

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

Debt instruments

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

Classification and subsequent measurement of debt and equity instruments depend on:

- the Group's business model for managing the asset; and
- the cash flow characteristics of the asset (SPPI assessment).

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

Other factors considered in the determination of the business model include:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

The Group may decide to sell financial instruments held under the hold to collect category with the objective to collect contractual cash flows without necessarily changing its business model if one or more of the following conditions are met:

(i) When the Group sells financial assets to reduce credit risk or losses because of an increase in the assets' credit risk. The Group considers sale of financial assets that may occur in assets held with the sole objective of collecting cash flows to be infrequent if the sales is one-off during the Financial Year and/or occurs at most once during the quarter or at most three (3) times within the Financial Year.

(ii) Where these sales are infrequent even if significant in value. A sale of financial assets is considered infrequent if the sale is one-off during the financial year and/or occurs at most once during the quarter or at most three (3) times within the financial year.

(iii) Where these sales are insignificant in value both individually and in aggregate, even if frequent. A sale is considered insignificant if the portion of the financial assets sold is equal to or less than five (5) per cent of the carrying amount (book value) of the total assets within the business model.

SPPI assessment: The Group assesses whether contractual cash flows are solely payments of principal and interest. For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. Principal may change over the life of the instruments due to repayments. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- contingent events that would change the amount and timing of cash flows;

- leverage features;

- prepayment and extension terms;
- terms that limit the Group's claim to cash flows from specified assets (e.g. nonrecourse asset arrangements); and
- features that modify consideration of the time value of money – e.g. periodical reset of interest rates.

When these sales are made close to the maturity of the financial assets and the proceeds from the sales approximates the collection of the remaining contractual cash flows. A sale is considered to be close to maturity if the financial assets has a tenor to maturity of not more than one (1) year and/or the difference between the remaining contractual cash flows expected from the financial asset does not exceed the cash flows from the sales by ten (10) per cent.

Other reasons that may necessitate selling financial assets from the portfolio held with the sole objective of collecting cash flows category that will not constitute a change in business model:

- Selling the financial asset to realise cash to deal with unforeseen need for liquidity (infrequent).
- Selling the financial asset to manage credit concentration risk (infrequent).
- Selling the financial assets as a result of changes in tax laws or due to a regulatory requirement e.g. comply with liquidity requirements (infrequent).
- Other situations also depend upon the facts and circumstances which need to be judged by management

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

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

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

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

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represents solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method. The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

For purchased or originated credit-impaired ('POCI') financial assets – assets that are credit-impaired at initial recognition – the Group calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows. When the Group revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Examples of equity instruments include basic ordinary shares. The Group subsequently measures all equity investments at fair value through profit or loss, except where the Group's management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income. The Group's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

(ii) Impairment of financial assets

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

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

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

Loss allowances for lease receivables are always measured at an amount equal to lifetime. The Group generally considers a debt security to have low credit risk when their credit risk rating is equivalent to the globally understood definition of 'investment grade'.

12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The Group assesses at each reporting date whether objective evidence of impairment exists for any financial asset. A financial asset is deemed to be impaired if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (loss event), and the loss event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include indications that the borrower is experiencing significant difficulty, default or delinquency in interest or principal payments, the probability that it will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For money market placements and advances to customers carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant (identified impairment). If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment (unidentified impairment). Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

Where there is objective evidence of impairment, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the statement of comprehensive income.

If a loan has a variable interest rate, the discount rate for measuring impairment loss is the current effective interest rate. The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflect the cash flows that may result from foreclosure costs for obtaining and selling the collateral, whether foreclosure is probable.

For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar risk characteristics, taking into account asset type, industry, geographical location, collateral type, past-due status and other relevant factors. These characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the counterparty's ability to pay all amounts due according to the contractual terms of the assets being evaluated.

Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the group and historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted based on current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not currently exist. The methodology and assumptions used for estimating future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

Where possible, the Group seeks to restructure loans rather than to take possession of collateral. This may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been renegotiated, the loan is no longer considered past due. Management continuously reviews such renegotiated loans to ensure that all criteria are met and that future payments are likely to occur. The loans continue to be subject to an individual or collective assessment, calculated using the loan's original effective interest rate. The Group did not reclassify any renegotiated loan during the period.

(iii) Financial liabilities

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

(iv) Modification of loans

The Group sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers. When this happens, the Group assesses whether or not the new terms are substantially different to the original terms.

The Group does this by considering, among others, the following factors:

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

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

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

(v) Derecognition other than on a modification

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Group transfers substantially all the risks and rewards of ownership, or (ii) the Group neither transfers nor retains substantially all the risks and rewards of ownership and the Group has not retained control.

Financial guarantees contracts and loan commitments

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

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

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

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

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

2.9.2 Determination of fair value

For financial instruments traded in active markets, the determination of fair values of financial instruments is based on quoted market prices or dealer price quotations. This includes listed equity securities and quoted debt instruments on major exchanges.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If the above criteria are not met, the market is regarded as being inactive. Indicators that a market is inactive are when there is a wide bid-offer spread or significant increase in the bid-offer spread or there are few recent transactions.

For all other financial instruments, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs (for example, LIBOR yield curve, FX rates, volatilities and counterparty spreads) existing at the reporting dates.

The Bank uses widely recognised valuation models for determining fair values of non-standardised financial instruments of lower complexity, such as options or interest rate and currency swaps. For these financial instruments, inputs into models are generally market-observable.

For more complex instruments, the Bank uses internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. Valuation models such as present value techniques are used primarily to value derivatives transacted in the over-the-counter market, unlisted debt securities (including those with embedded derivatives) and other debt instruments for which markets were or have become illiquid. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The Bank uses its own credit risk spreads in determining the current value for its derivative liabilities and all other liabilities for which it has elected the fair value option. When the Bank's credit spreads widen, the Bank recognises a gain on these liabilities because the value of the liabilities has decreased. When the Bank's credit spreads narrow, the Bank recognises a loss on these liabilities because the value of the liabilities has increased.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Bank holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risks, liquidity risk and counterparty credit risk.

Based on the established fair value model governance policies, related controls and procedures applied, the directors believe that these valuation adjustments are necessary and appropriate to fairly state the values of financial instruments carried at fair value. Price data and parameters used in the measurement procedures applied are generally reviewed carefully and adjusted, if necessary – particularly in view of the current market developments. In cases when the fair value of unlisted equity instruments cannot be determined reliably, the instruments are carried at cost less impairment.

The fair values of contingent liabilities and irrevocable loan commitments correspond to their carrying amounts.

2.9.3 De-recognition of financial assets and financial liabilities

Financial assets

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

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

When the Bank has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the asset is recognised to the extent of the Bank's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Bank could be required to repay.

Financial liabilities

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

2.9.4 Reclassification of financial assets

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

In addition, the Group may choose to reclassify financial assets that would meet the definition of loans and receivables out of the fair value through profit or loss (FVPL)/held-for-trading or fair value through other comprehensive income (FVOCI)/available-for-sale categories if the Group has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

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

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

2.9.5 Offsetting financial instruments

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

2.10 COLLATERAL

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

2.11 Leases

The Group's leasing activities and how these are accounted for under IFRS 16

The Group leases several branches. Rental contracts are typically made for fixed periods of 5 years but may have extension options as described below.

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

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

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

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

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

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

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

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

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

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

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

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

2.12 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with the Central Bank and highly liquid financial assets with original maturities of three (3) months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Group in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost.

2.13 Property and equipment

(i) Recognition and measurement

Except for land and buildings which are stated at revalued amounts, all other property and equipment are stated at cost less depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.

Buildings are shown at their revalued amount less subsequent depreciation. The fair values are determined every three (3) years by external, independent, professional valuers. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

The revaluation increase arising on the revaluation of property is credited to the revaluation surplus in shareholders' equity. Decreases that offset previous increases of the same asset are charged against the non-distributable reserve. All other decreases are charged to profit or loss.

(ii) Subsequent costs

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

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight line basis to write off the gross value less residual amounts over their estimated useful lives. The estimated useful lives for the current and comparative periods are as follows

Buildings	40 years
Furniture and equipment	5 years
Computers	3 years
Motor vehicle	4 years

Freehold land is not depreciated.

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

(iv) Capital work in progress

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

(v) Derecognition

Property and equipment are derecognised upon disposal or when no future economic benefits are expected to flow to the Group from either their use or disposal. Gains or losses on derecognition of an item of property and equipment are determined by comparing the proceeds from disposal, if applicable, with the carrying amount of the item and are recognised directly in profit or loss.

2.14 Intangible assets

Computer software

Intangible assets comprise computer software licences. Intangible assets are recognised at cost with an estimated useful life of 3 years. Intangible assets with a definite useful life are amortised using the straight-line method over their estimated useful life. At the end of each reporting period, intangible assets are reviewed for indications of impairment or changes in estimated future economic benefits. If such indications exist, the intangible assets are analysed to assess whether their carrying amount is fully recoverable. An impairment loss is recognised if the carrying amount exceeds the recoverable amount.

2.15 Non-current assets held for sale

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

Such assets are generally measured at lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, property and equipment are no longer amortised or depreciated.

2.16 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount.

The recoverable amount is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rates that reflect current market assessments of the time value of money and risks specific to the asset.

A previously recognised impairment loss is reversed where there has been a change in circumstances or in the basis of estimation used to determine the recoverable value, but only to the extent that the asset's net carrying amount does not exceed the carrying amount of the asset that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.17 Income tax

(a) Current income tax

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

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

(b) Deferred tax

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

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

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and

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

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

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

- in respect of taxable temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

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

2.18 Provisions and contingent liabilities

Provisions

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

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

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

Contingent liabilities

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

2.19 Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are recognised as an expense in profit or loss when they are due.

Termination benefits

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

Short-term benefits

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

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined benefit plan

Defined benefit plan is a pension plan that is not a defined contribution plan.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement usually dependent on one or more factors such as age or years of service and compensation. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in the comprehensive income in the period in which they arise.

Past service costs are recognised immediately in income.

Other post-retirement obligations

The Group also provides gratuity benefits to its retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

2.20 Stated capital

i. Ordinary shares

Ordinary shares are classified as 'stated capital' in equity.

ii. Dividend on ordinary shares

Dividends on the Group's ordinary shares are recognised in equity in the period in which they are paid or, if earlier, approved by the Group's shareholders.

2.21 Non-controlling interests

The Group recognises non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis.

2.22 Earnings per share

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

2.23 Post balance sheet event

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

3.0 FINANCIAL RISK MANAGEMENT

The Group's business involves taking on risks in a targeted manner and managing them professionally. The core functions of the Group's risk management are to identify all key risks for the Group, measure these risks, manage the risk positions and determine capital allocations.

The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and best market practices. The Group's aim is to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Group's financial performance.

The Group defines risk as the possibility of losses or profits foregone, which may be caused by internal or external factors.

Risk management is carried out by the risk department under policies approved by the Board of Directors. The department identifies and evaluates financial risks in close co-operation with the Group's operating units. The Board provides guiding principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments. In addition, internal audit is responsible for the independent review of risk management and the control environment.

The risks arising from financial instruments to which the Group is exposed are financial risks; which includes credit risk, liquidity risk and market risk (which are discussed below).

Credit risk

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

The Group is also exposed to other credit risks arising from investments in debt securities and other exposures arising from trading activities ('trading exposures'), including non-equity trading portfolio assets and settlement balances with market counterparties. Credit risk is the single largest risk for the Group's business; management therefore carefully manages the exposure to credit risk. Credit risk management and control are centralised in a credit risk management team, which reports to the Board of Directors and heads of each business unit regularly.

Credit decisions are based on an in-depth review of obligor creditworthiness and an ability to generate cash flows to meet operational needs and debt service obligations. The Group utilises an internal risk rating scale of 1 to 10 to rate commercial and industrial obligors, financial institutions, sovereign governments and SMEs. A rating of 1 identifies obligors of the highest quality, comparable to a AAA rating by Standard & Poor's. A rating of 10 is assigned to obligors of lowest quality or highest risk, equivalent to a D rating by Standard & Poor's. Obligors rated 1 to 6 are classified as 'normal borrowers' (of which those rated 1 to 4 are considered investment grade entities); those risk-rated 7 are classified as 'borrowers requiring caution', those risk-rated 8 and 9 are 'sub-standard borrowers', and those risk-rated 10 are 'borrowers at risk of permanent default'. The acceptable portfolio comprises the ORR 1 to 7 range while the challenged portfolio comprises ORRs worse than 8.

The Group's internal rating scale and mapping of external ratings are set out below:

<table>
<tr><th>Internal rating</th><th>IFRS Classification</th><th>Bank of Classification</th></tr>
<tr><td>3</td><td rowspan="11">Stage 1</td><td rowspan="11">Current</td></tr>
<tr><td>4-</td></tr>
<tr><td>4</td></tr>
<tr><td>4+</td></tr>
<tr><td>5-</td></tr>
<tr><td>5</td></tr>
<tr><td>5+</td></tr>
<tr><td>6-</td></tr>
<tr><td>6</td></tr>
<tr><td>6+</td></tr>
<tr><td>7</td></tr>
<tr><td>8</td><td>Stage 2</td><td>Olem</td></tr>
<tr><td>9</td><td rowspan="2">Stage 3</td><td>Substandard</td></tr>
<tr><td>10</td><td>Doubtful & Loss</td></tr>
</table>

Credit concentration risk

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

Credit related commitments

Documentary and commercial letters of credit are written undertakings by the Group on behalf of a customer authorising a third party to draw drafts on the Group up to a stipulated amount under specific terms and conditions. The primary purpose of these instruments is to ensure that funds are available to a customer as required.

Guarantees and standby letters of credit carry less risk than direct loans. These arrangements are collateralised by the underlying shipments of goods. The likelihood of loss amounts is far less than the entire commitment as most commitments to extend credit of this nature are contingent upon the customer maintaining specific cash in margin accounts. The Group monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

Credit limit control and mitigation

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

The exposure to any one borrower including banks and brokers is further restricted by sub-limits covering on- and off-balance sheet exposures, and daily delivery risk limits in relation to trading items such as forward foreign exchange contracts. Actual exposures against limits are monitored daily.

Lending limits are reviewed in the light of changing market and economic conditions and periodic credit reviews and assessments of probability of default.

The Group also employs a range of policies and practice to mitigate credit risk.

(a) Master netting arrangements

The Group further restricts its exposure to credit losses by entering into master netting arrangements with counterparties with which it undertakes a significant volume of transactions. Master netting arrangements do not generally result in an offset of assets and liabilities of the statement of financial position, as transactions are either usually settled on a gross basis or under most netting agreements the right of set off is triggered only on default. However, the credit risk associated with favourable contracts is reduced by a master netting arrangement to the extent that if a default occurs, all amounts with the counterparty are terminated and settled on a net basis.

(b) Financial covenants (for credit related commitments and loan books)

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

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

(c) Collateral and other credit enhancements

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

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

Collateral held as security for financial assets other than loans and advances depends on the nature of the instrument. Longer-term finance and lending to corporate entities are generally secured; revolving individual credit facilities are generally unsecured. In addition, in order to minimise the credit loss, the Group will seek additional collateral from the counterparty as soon as impairment indicators are identified for the relevant individual loans and advances.

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

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

(d) Impairment and provisioning policies

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

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

The Group measures the provision for expected credit losses at each reporting date according to a three-stage expected credit loss impairment model (outlined in note 3.1) which is based on changes in credit risk of financial assets since initial recognition.

(e) Write-off policy

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

3.1 Expected credit loss measurement

Expected credit loss impairment model

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

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

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

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

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

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

Measuring ECL – Explanation of inputs, assumptions and estimation techniques

(i) Measurement

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

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive);

- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;

- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn down and the cash flows that the Group expects to receive; and

- financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Group expects to recover.

(ii) Restructured financial assets

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

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.

- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

(iii) Credit-impaired financial assets

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

Quantitative criteria

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

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

- The borrower is in long-term forbearance, insolvent or deceased;

- The borrower is in breach of financial covenant(s);

- An active market for that financial asset has disappeared because of financial difficulties

- Concessions have been made by the Group relating to the borrower's financial difficulty,

- It is becoming probable that the borrower will enter financial difficulty;

- It is becoming probable that the borrower will enter bankruptcy;

- Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

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

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

An instrument is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of six months. This period of six months has been determined based on an analysis which considers the likelihood of a financial instrument returning to default status after cure using different possible cure definitions.

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

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

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

(v) Write-offs

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

(vi) Explanation of inputs, assumptions and estimation techniques: Exposure at Default (EAD),

Probability of Default (PD) and Loss Given Default (LGD)

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

- The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation. This 12M PD is used to calculate 12-month ECLs. The Lifetime PD is used to calculate lifetime ECLs for stage 2 and 3 exposures.

- EAD is based on the amounts the Group expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). For example, for a revolving commitment, the Group includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

- Loss Given Default (LGD) represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

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

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

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

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

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

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

(vii) Significant Increase in Credit Risk (SICR)

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

The Group adopts a multi factor approach in assessing changes in credit risk. This approach considers: Quantitative, Qualitative and Back stop indicators which are critical in allocating financial assets into stages. The quantitative models consider deterioration in the credit rating of obligor/counterparty based on the Group's internal rating system or External Ratings while qualitative factors consider information such as expected forbearance, restructuring, exposure classification by licensed credit bureau etc. A backstop is typically used to ensure that in the (unlikely) event that the quantitative indicators do not change and there is no trigger from the qualitative indicators, an account that has breached the 30 days past due criteria for SICR and 90 days past due criteria for default is transferred to stage 2 or stage 3 as the case may be except where there is a reasonable and supportable evidence available without undue cost to rebut the presumption.

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

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

Expert judgement has also been applied in this process. Forecasts of these economic variables (the "base economic scenario") are provided by Ecobank Group's Economics team (as well as from other credible external sources such as Business Monitor International (BMI), International Monetary Fund (IMF), World Bank, respective Central Banks etc.) on a quarterly basis and provide the best estimate view of the economy over the next five years. After five years, to project the economic variables out for the full remaining lifetime of each instrument, a mean reversion approach has been used, which means that economic variables tend to either a long run average rate (e.g. for unemployment) or a long run average growth rate (e.g. GDP) over a period of two to five years. The impact of these economic variables on the PD, EAD and LGD has been determined by performing statistical regression analysis to understand the impact changes in these variables have had historically on default rates and on the components of LGD and EAD.

Notes (All amounts are expressed in thousands of Ghana cedis)

In addition to the base economic scenario, the Group's Risk Management team also provide other possible scenarios along with scenario weightings. The number of other scenarios used is set based on the analysis of each major product type to ensure non-linearities are captured. The number of scenarios and their attributes are reassessed at each reporting date. At 31 December 2021, the Group concluded that three scenarios appropriately captured non-linearities. The scenario weightings are determined by a combination of statistical analysis and expert credit judgement, taking account of the range of possible outcomes each chosen scenario is representative of. The assessment of SICR is performed using the Lifetime PD under each of the base, and the other scenarios, multiplied by the associated scenario weighting, along with qualitative and backstop indicators. This determines whether the whole financial instrument is in Stage 1, Stage 2, or Stage 3 and hence whether 12-month or lifetime ECL should be recorded. Following this assessment, the Group measures ECL as either a probability weighted 12-month ECL (Stage 1), or a probability weighted lifetime ECL (Stages 2 and 3). These probability-weighted ECLs are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting (as opposed to weighting the inputs). As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Group considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within Group's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

The weightings assigned to each economic scenario were as follows:

Group and Bank	**At 31 December 2023**	At 31 December 2022
Base	**70.0%**	40.0%
Upside	**5.0%**	22.4%
Downside	**25.0%**	37.6%

The scenarios base, upside and downside were used for all portfolios.

Sensitivity analysis

The sensitivity of the ECL provision to a 5% change in the upside and downside weightings determined for each of the economic scenarios is set out below:

Group	**Base**	**Upside**	**Downside**	**ECL**
				GH¢'000
At 31 December 2023				
5% increase in upside	70.0%	10.0%	20.0%	**1,080,395**
Base	70.0%	5.0%	25.0%	**1,081,623**
5% increase in downside	70.0%	-	30.0%	**1,082,873**
At 31 December 2022				
5% increase in upside	40%	27.4%	32.6%	589,213
Base	40%	22.4%	37.6%	589,568
5% increase in downside	40%	17.4%	42.6%	589,753

Bank				
At 31 December 2023				
5% increase in upside	70.0%	10.0%	20.0%	**1,064,523**
No change	70.0%	5.0%	25.0%	**1,065,886**
5% increase in downside	70.0%	-	30.0%	**1,067,248**
At 31 December 2022				
5% increase in upside	40%	27.4%	32.6%	576,766
No change	40%	22.4%	37.6%	577,113
5% increase in downside	40%	17.4%	42.6%	577,294

Notes (All amounts are expressed in thousands of Ghana cedis)

Investment securities

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

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

On 5 December 2022, the Government of Ghana announced Ghana's Domestic Debt Exchange Programme (DDEP). The Programme invited eligible bondholders to voluntarily exchange eligible local currency bonds issued by the Government of Ghana, ESLA and Daakye bonds for a new series of bonds to be issued by the Government. Subsequently on 4 September 2023, the Government further invited eligible holders of Cocoa Bills and local dollar bonds to exchange them for new bonds to be issued to them.

In 2023 the Bank successfully exchanged GHS 5.3 billion Government of Ghana Cedi bonds, GHS13.3 million COCOBOD bonds and GHS686.1 million Government of Ghana USD bonds for a series of new bonds with coupons ranging from 8.35% to 10.00%, 13.00%, and 2.75% to 3.25% and maturity dates commencing from 2027-2038, 2024-2028 and 2027-2028 respectively, through the Ghana Domestic Debt Exchange Programme. A modification loss of GHS937.8 million was recognised as a result of the exchange of bonds which were discounted at 15.67% for Cedi denominated bonds and 6% for Ghana USD bonds.

Group and Bank	2023 ECL GH¢'000
Carrying amount of DDEP impacted investments at 1 January	5,675,049
Derecognition of premiums and discounts (net)	(522,718)
Fair value of investments exchanged	(4,214,569)
Modification loss on exchange	937,762

The business model of investment securities classified as hold to sell and hold to collect and sell was changed to hold to collect on the date of exchange. The premiums and discounts (net) of GH¢522.7 million on these investment securities was derecognised prior to assessing the modification loss. The amount is recognised in trading income in note 10.

The sensitivity of the impairment provision to a 100 basis points (1%) change in the discount rate is set out below:

Group and Bank	2023 ECL GH¢'000	2022 ECL GH¢'000
1% decrease in discount rate	1,183,588	1,508,535
Base	1,225,800	1,626,298
1% increase in discount rate	1,268,012	1,734,047

3.2 Credit risk exposure

3.2.1 Maximum exposure to credit risk

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

Credit risk exposures relating to on-balance sheet assets are as follows:

	Group		Bank	
	2023	2022	**2023**	2022
	GH¢'000	GH¢'000	**GH¢'000**	GH¢'000
Financial instruments subject to impairment				
Balances with banks	**10,354,684**	5,667,709	**10,360,321**	5,718,318
Non-trading assets	**9,816,651**	6,743,075	**9,775,154**	6,617,538
Loans and advances to customers	**9,517,709**	8,866,042	**9,444,131**	8,802,239
Other financial assets	**670,065**	920,115	**640,508**	918,444
	30,359,109	22,196,941	**30,220,114**	22,056,539
Financial instruments not subject to impairment				
Non-pledged trading assets	**213,016**	1,116,676	**213,016**	1,116,676
	30,572,125	23,313,617	**30,433,130**	23,173,215
Loans exposure to total exposure	**31%**	38%	**31%**	38%
Investment securities exposure to total exposure	**33%**	34%	**33%**	33%
Other financial assets exposure to total exposure	**2%**	4%	**2%**	4%

Credit risk exposures relating to off-balance sheet assets are as follows:

	Group		Bank	
	2023	2022	**2023**	2022
	GH¢'000	GH¢'000	**GH¢'000**	GH¢'000
Letters of guarantee	**1,062,438**	636,407	**1,062,438**	636,407
Letters of credit	**983,620**	1,333,529	**983,620**	1,333,529
Loan commitments	**495,827**	735,951	**495,827**	735,951
	2,541,885	2,705,887	**2,541,885**	2,705,887

Notes (All amounts are expressed in thousands of Ghana cedis)

3.2.2 Credit quality per class of financial instrument

The credit quality of financial assets is managed by the Group using internal credit ratings. The Group's credit exposures were categorised under IFRS 9 as follows:

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

The credit quality for loans and advances to customers is as follows:

At December, 2023			**Group**			**Bank**		
Internal rating	**Stages**	**Bank of Ghana Classifications**	**Gross Loan** GH¢'000	**Impairment** GH¢'000	**Carrying Amount** GH¢'000	**Gross Loan** GH¢'000	**Impairment** GH¢'000	**Carrying Amount** GH¢'000
3	Stage 1	Current	106,146	3,896	102,250	41,419	1	41,418
4-			152,658	35	152,623	152,658	35	152,623
4			205,328	743	204,585	204,468	61	204,407
4+			295,066	577	294,489	295,066	577	294,489
5-			62,845	66	62,779	62,845	66	62,779
5			297,025	254	296,771	297,025	254	296,771
5+			50,953	537	50,416	50,953	537	50,416
6-			109,149	0	109,149	109,149	-	109,149
6			3,362,453	74,745	3,287,708	3,361,802	63,583	3,298,219
6+			286,342	282	286,060	286,342	282	286,060
7			2,510,549	44,181	2,466,368	2,508,402	44,183	2,464,219
8	Stage 2	Olem	1,075,188	91,071	984,117	1,054,258	91,071	963,187
9		Substandard	1,146,380	439,529	706,851	1,146,380	439,529	706,851
10	Stage 3	Doubtful & Loss	939,250	425,707	513,543	939,250	425,707	513,543
Total			**10,599,332**	**1,081,623**	**9,517,709**	**10,510,017**	**1,065,886**	**9,444,131**

At December, 2022			Group			Bank		
Internal rating	IFRS	Bank of Ghana Classification	Gross Loans GH¢'000	Provision IFRS GH¢'000	Net Loans GH¢'000	Gross Loan GH¢'000	Provision IFRS GH¢'000	Net Loans GH¢'000
3	Stage 1	Current						
4-			138,693	513	138,180	125,879	14	125,865
4			290,269	525	289,744	277,456	25	277,431
4+			-	-	-	-	-	-
5-			428,915	2,611	426,304	416,101	2,115	413,986
5			668,079	948	667,131	655,265	449	654,816
5+			-	-	-	-	-	-
6-			523,642	1,036	522,606	522,277	789	521,488
6			3,585,024	68,341	3,516,683	3,585,024	68,341	3,516,683
6+			436,359	2,762	433,597	436,359	2,762	433,597
7			2,721,533	36,805	2,684,728	2,720,168	36,558	2,683,610
8	Stage 2	Olem	161,020	10,164	150,856	155,451	7,672	147,779
9	Stage 3	Substandard	46,575	30,913	15,662	41,006	28,421	12,585
10		Doubtful & Loss	455,501	434,950	20,551	444,366	429,967	14,399
Total			**9,455,610**	**589,568**	**8,866,042**	**9,379,352**	**577,113**	**8,802,239**

Impairment allowance as required by IFRS and Bank of Ghana

			Impairment Bank	
Internal rating	Stages	Bank of Ghana Classifications	IFRS	Impairment
			GHC'000	GHC'000
3	Stage 1	Current	1	414
4-			35	1,527
4			61	2,045
4+			577	2,863
5-			66	625
5			254	2,880
5+			537	510
6-			0	1,091
6			63,583	31,200
6+			282	2,554
7			44,183	21,966
8	Stage 2	Olem	91,071	104,081
9	Stage 3	Substandard	439,529	286,898
10		Doubtful & Loss	425,707	731,524
Total			1,065,886	1,190,178

Notes (All amounts are expressed in thousands of Ghana cedis)

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

Group	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
At 31 December 2023	**GH¢'000**	**GH¢'000**	**GH¢'000**	**GH¢'000**
On-balance sheet exposures				
Balances with banks	10,354,684	-	-	**10,354,684**
Non-trading assets	41,497	7,136,904	4,533,202	**11,711,603**
Loans and advances to customers	7,438,514	1,075,188	2,085,630	**10,599,332**
Other financial assets	670,065	-	19,424	**689,489**
Gross carrying amount	**18,504,760**	**8,212,092**	**6,638,256**	**33,355,108**
Loss allowance	(125,316)	(91,071)	(2,779,612)	**(2,995,999)**
Carrying amount	**18,379,444**	**8,121,021**	**3,858,644**	**30,359,109**
Off-balance sheet contracts				
Letters of guarantee	1,062,438	-	-	1,062,438
Letters of credit	983,620	-	-	983,620
Loan commitments	495,827	-	-	495,827
Gross carrying amount	**2,541,885**	**-**	**-**	**2,541,885**
ECL on off balance sheet contracts	**(15,156)**	**-**	**-**	**(15,156)**
At 31 December 2022				
On-balance sheet exposures				
Balances with banks	5,667,709	-	-	5,667,709
Non-trading assets	-	889,948	7,484,166	8,374,114
Loans and advances to customers	8,668,692	251,997	534,921	9,455,610
Other financial assets	926,142	11,189	31,522	968,853
Gross carrying amount	15,262,543	1,153,134	8,050,609	24,466,286
Loss allowance	(89,572)	(26,152)	(2,153,621)	(2,269,345)
Carrying amount	15,172,971	1,126,982	5,896,988	22,196,941
Off-balance sheet contracts				
Letters of guarantee	636,407	-	-	636,407
Letters of credit	1,333,529	-	-	1,333,529
Loan commitments	735,951	-	-	735,951
Gross carrying amount	2,705,887	-	-	2,705,887
Loss allowance	(6,141)	-	-	(6,141)

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

Bank	**Stage 1 12-month ECL**	**Stage 2 Lifetime ECL**	**Stage 3 Lifetime ECL**	**Total**
At 31 December 2023	**GH¢'000**	**GH¢'000**	**GH¢'000**	**GH¢'000**
On-balance sheet exposures				
Balances with banks	10,360,321	-		**10,360,321**
Non-trading assets	41,497	7,095,407	4,533,202	**11,670,106**
Loans and advances to customers	7,370,129	1,054,258	2,085,630	**10,510,017**
Other financial assets	640,508	-	19,424	**659,932**
Gross carrying amount	18,412,455	8,149,665	6,638,256	**33,200,376**
Loss allowance	(109,579)	(91,071)	(2,779,612)	**(2,980,262)**
Carrying amount	**18,302,876**	**7,459,991**	**4,457,247**	**30,220,114**
Off-balance sheet contracts				
Letters of guarantee	1,062,438	-	-	**1,062,438**
Letters of credit	983,620	-	-	**983,620**
Loan commitments	495,827	-	-	**495,827**
Gross carrying amount	**2,541,885**	**-**	**-**	**2,541,885**
ECL on off balance sheet contracts	**(15,156)**	**-**	**-**	**(15,156)**
At 31 December 2022				
On-balance sheet exposures				
Balances with banks	5,718,318	-	-	5,718,318
Non-trading assets	-	759,842	7,484,166	8,244,008
Loans and advances to customers	8,617,438	249,268	512,646	9,379,352
Other financial assets	924,471	11,189	31,522	967,182
Gross carrying amount	15,260,227	1,020,299	8,028,334	24,308,860
Loss allowance	(83,008)	(25,658)	(2,143,655)	(2,252,321)
Carrying amount	15,177,219	994,641	5,884,679	22,056,539
Off-balance sheet contracts				
Letters of guarantee	636,407	-	-	636,407
Letters of credit	1,333,529	-	-	1,333,529
Loan commitments	735,951	-	-	735,951
Gross carrying amount	2,705,887	-	-	2,705,887
Loss allowance	(6,141)	-	-	(6,141)

Notes (All amounts are expressed in thousands of Ghana cedis)

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

Group	**Stage 1**	**Stage 2**	**Stage 3**	
	12-month	**Lifetime**	**Lifetime**	**Total**
	ECL	**ECL**	**ECL**	
At 31 December 2023	**GH¢'000**	**GH¢'000**	**GH¢'000**	**GH¢'000**
Overdrafts	1,365,157	19,635	276,469	**1,661,261**
Term loans	6,073,357	1,055,553	1,809,161	**8,938,071**
Gross carrying amount	**7,438,514**	**1,075,188**	**2,085,630**	**10,599,332**
Loss allowance	(125,316)	(91,071)	(865,236)	**(1,081,623)**
Carrying amount	**7,313,198**	**984,117**	**1,220,394**	**9,517,709**
Fair value of collateral	**998,962**	**193,492**	**30,059**	**1,222,512**
At 31 December 2022				
Overdrafts	1,584,114	636	235,409	1,820,159
Term loans	7,084,578	251,361	299,512	7,635,451
Gross carrying amount	8,668,692	251,997	534,921	9,455,610
Loss allowance	(76,534)	(17,405)	(495,629)	(589,568)
Carrying amount	8,592,158	234,592	39,292	8,866,042
Fair value of collateral	6,184,147	142,177	1,275,900	7,602,224

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

Bank	**Stage 1**	**Stage 2**	**Stage 3**	
	12-month	**Lifetime**	**Lifetime**	**Total**
	ECL	**ECL**	**ECL**	
At 31 December 2023	**GH¢'000**	**GH¢'000**	**GH¢'000**	**GH¢'000**
Overdrafts	1,365,155	19,635	276,469	1,661,259
Term loans	6,004,974	1,034,623	1,809,161	8,848,758
Gross carrying amount	7,370,129	1,054,258	2,085,630	10,510,017
Loss allowance	(109,579)	(91,071)	(865,236)	(1,065,886)
Carrying amount	7,260,550	963,187	1,220,394	9,444,131
Fair value of collateral	998,962	193,492	30,058	1,222,512
At 31 December 2022				
Overdrafts	1,584,114	636	235,409	1,820,159
Term loans	7,033,324	248,632	277,237	7,559,193
Gross carrying amount	8,617,438	249,268	512,646	9,379,352
Loss allowance	(74,539)	(16,911)	(485,663)	(577,113)
Carrying amount	8,542,899	232,357	26,983	8,802,239
Fair value of collateral	6,175,815	138,011	1,279,400	7,593,226

Notes (All amounts are expressed in thousands of Ghana cedis)

3.2.3 Loss allowance

The loan impairment provision amounts recognised in the period is impacted by a variety of factors as described below:

- Transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the period, and the consequent "step up" or "step down" between 12-month and Lifetime ECL.

- Financial assets derecognised during the period and write-offs of allowances related to the assets that were written off during the period.

- Additional allowances for new financial instruments recognised during the period as well as for financial instruments derecognised during the period;

- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs;

The following tables explain the changes in loss allowances between the beginning and end of the annual period for loans and advances due to these factors:

Group	Stage 3 Lifetime ECL GH¢'000	Total GH¢'000	Stage 1 12-month ECL GH¢'000	Stage 2 Lifetime ECL GH¢'000
At 1 January 2023	76,534	17,405	495,629	**589,568**
Transfer from Stage 1 to Stage 2	(4,318)	4,318	-	**-**
Transfer from Stage 2 to Stage 3	-	(7,569)	7,569	**-**
Transfer from Stage 2 to Stage 1	280	(280)	-	**-**
Transfer from Stage 1 to Stage 3	(10,172)	-	10,172	**-**
Maturities and write-offs	(10,949)	(138)	(42,803)	**(53,890)**
New financial assets originated	45,422	15,050	36,723	**97,195**
0Changes in PDs, LGDs and EADs	28,519	62,285	357,946	**448,750**
At 31 December 2023	**125,316**	**91,071**	**865,236**	**1,081,623**
At 1 January 2022	105,163	54,777	371,333	531,273
Transfer from Stage 1 to Stage 2	(7,403)	7,403	-	-
Transfer from Stage 2 to Stage 3	-	(38,874)	38,874	-
Transfer from Stage 2 to Stage 1	66	(66)	-	-
Transfer from Stage 1 to Stage 3	(13,199)	-	13,199	-
Maturities and write-offs	(43,605)	(13,437)	(24,786)	(81,828)
New financial assets originated	50,530	4,750	52,725	108,005
Changes in PDs, LGDs and EADs	(15,018)	2,852	44,284	32,118
At 31 December 2022	76,534	17,405	495,629	589,568

Bank	Stage 1 12-month ECL GH¢'000	Stage 2 Lifetime ECL GH¢'000	Stage 3 Lifetime ECL GH¢'000	Total GH¢'000
At 1 January 2023	74,539	16,911	485,663	577,113
Transfer from Stage 1 to Stage 2	(4,318)	4,318	-	-
Transfer from Stage 2 to Stage 3	- -	7,569	7,569	-
Transfer from Stage 2 to Stage 1	280	(280)	-	-
Transfer from Stage 1 to Stage 3	(10,172)	-	10,172	-
Maturities and write-offs	(8,649)	(116)	(42,754)	(51,519)
New financial assets originated	42,222	10,950	34,533	87,705
Changes in PDs, LGDs and EADs	15,677	66,857	370,053	452,587
At 31 December 2023	**109,579**	**91,071**	**865,236**	**1,065,886**
At 1 January 2022	103,681	49,057	368,708	521,446
Transfer from Stage 1 to Stage 2	(3,373)	3,373	-	-
Transfer from Stage 2 to Stage 3	-	(35,661)	35,661	-
Transfer from Stage 2 to Stage 1	66	(66)	-	-
Transfer from Stage 1 to Stage 3	(13,199)	-	13,199	-
Maturities and write-offs	(38,882)	(13,436)	(22,572)	(74,890)
New financial assets originated	40,783	4,750	50,458	95,991
Changes in PDs, LGDs and EADs	(14,537)	8,894	40,209	34,566
At 31 December 2022	74,539	16,911	485,663	577,113

Notes (All amounts are expressed in thousands of Ghana cedis)

The following table explains the changes in loss allowances for other financial exposures.

Group and Bank	Stage 1 12-month ECL GH¢'000	Stage 2 Lifetime ECL GH¢'000	Stage 3 Lifetime ECL GH¢'000	Total GH¢'000
Other financial assets				
At 1 January 2023	8,469	8,747	31,522	48,738
Maturities and write-offs	-	-	(13,587)	(13,587)
New financial assets originated	-	-	(15,727)	(15,727)
At 31 December 2023	**8,469**	**8,747**	**2,208**	**19,424**
At 1 January 2022	6,751	8,697	2,354	17,802
Maturities and write-offs	-	-	-	-
New financial assets originated	1,718	50	29,168	30,936
At 31 December 2022	8,469	8,747	31,522	48,738
Off-balance sheet exposures				
At 1 January 2023	6,141	-	-	6,141
Maturities and derecognitions	-	-	-	-
New credit exposures	9,015	-	-	9,015
Changes in PDs, LGDs and EADs				
At 31 December 2023	15,156	-	-	15,156
At 1 January 2022	16,544	-	-	16,544
Maturities and derecognitions	(22,434)	-	-	(22,434)
New credit exposures	14,074	-	-	14,074
Changes in PDs, LGDs and EADs	(2,043)	-	-	(2,043)
At 31 December 2022	6,141	-	-	6,141

3.2.4 Loans and advances renegotiated

Restructuring activities include extended payment arrangements, approved external management plans, modification and deferral of payments. Restructuring policies and practices are based on indicators or criteria which, in the judgement of management, indicate that payment will most likely continue.

These policies are kept under continuous review. Restructuring is most commonly applied to term loans.

Group and Bank	**2023 GH¢'000**	**2022 GH¢'000**
Continuing to be impaired after restructuring (included in non-performing loans)	**162,196**	23,090
Non-impaired after restructuring – (which would otherwise have been impaired	**523,695**	497,138

3.2.5 Repossessed collateral

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

Group and Bank	**2023**		**2022**	
	Collateral GH¢'000	**Related loan GH¢'000**	Collateral GH¢'000	Related loan GH¢'000
Commercial property	**18,000**	**18,000**	19,952	19,952

There was no impairment access on repossessed collateral as December 2023 (2022: 8,375,000)
Repossessed properties are sold as soon as practicable and the proceeds used to reduce outstanding indebtedness.

3.2.6 Loans and advances per Bank of Ghana Prudential Classification

Set out below is an analysis of the Group and Bank's gross loan amount by risk grade. The gross loan amounts have not been adjusted for interest in suspense for non-performing loans.

	Group		**Bank**	
	2023	2022	**2023**	2022
	GH¢'000	GH¢'000	**GH¢'000**	GH¢'000
Current	**7,496,134**	8,442,008	**7,431,406**	8,390,753
Olem	**1,055,118**	328,148	**1,054,258**	325,419
Substandard	**554,693**	191,044	**554,041**	189,956
Doubtful	**1,001,100**	13,924	**998,953**	11,843
Loss	**918,760**	731,664	**897,830**	709,559
	11,025,805	9,706,788	**10,936,488**	9,627,530

3.3 Market risk

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

3.3.1 Risk identification

The Group identifies market risk through daily monitoring of levels and profit or loss balances of trading and non-trading positions. The Market Risk Controller together with the risk department monitor daily trading activities to ensure that risk exposures taken are within approved limits and overall risk tolerance levels set by the Board. In addition, Assets and Liabilities Committee (ALCO) members, the Treasurer, the Chief Finance Officer and the Country Risk Manager monitor market risk factors that affect the value of trading and non-trading positions as well as income streams on non-trading portfolios on a daily basis. They also track liquidity indicators to ensure that Group subsidiaries meet their financial obligations at all times.

3.3.2 Interest rate risk

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

(i) Differences between the timing of market interest rate changes and the timing of cash flows (repricing risk);

(ii) Changes in the market interest rates producing different effects on yields on similar instruments with different maturities (yield curve risk); and

(iii) Changes in the level of market interest rates producing different effects on rates received or paid on instruments with similar repricing characteristics (basis risk).

The Asset and Liability Management ("ALM") process, managed through ALCO, is used to manage interest rate risk associated with the non-trading book. Gap analysis is used in measuring interest rate risk. It compares the values of interest rate sensitive assets and liabilities that mature or are re-priced at various time periods in the future. Subjective judgement/assumptions are made about the behaviour of assets and liabilities which do not have specific contractual maturity or re-pricing dates.

Interest rate risk evaluates potential volatility to net interest income caused by changes in market interest rates and represents the most significant market risk exposure to the Group's non-trading book.

The Group uses gap analysis to measure its exposure to interest rate risk. Through this analysis, it compares the values of interest rate sensitive assets and liabilities that mature or reprice at various time periods in the future. The Group may make judgmental assumptions about the behaviour of assets and liabilities which do not have specific contractual maturity or repricing dates.

The table below summarises the repricing profiles of the Group's financial instruments and other assets and liabilities at 31 December 2023. Items are allocated to time periods with reference to the earlier of the next contractual interest rate re-pricing and maturity dates.

Group **At 31 December 2023**	**Up to 1 month GH¢'000**	**1-3 months GH¢'000**	**3-12 months GH¢'000**	**Non-Over 1 year GH¢'000**	**interest bearing GH¢'000**	**Total GH¢'000**
Assets						
Cash and bank balances	1,274,970	75,650	-	-	9,906,144	**11,256,764**
Investment securities	-	692,154	598,308	8,734,888	-	**10,025,350**
Loans and advances	1,726	676,066	2,272,683	6,567,234	-	**9,517,709**
Other financial assets	-	-	-	-	670,065	**670,065**
Total financial assets	**1,276,696**	**1,443,870**	**2,870,991**	**15,302,122**	**10,576,209**	**31,469,888**
Liabilities						
Deposits from banks	2,358,229	-	-	-	-	**2,358,229**
Customer deposits	3,765,314	726,678	1,209,727	71,616	20,565,455	**26,338,790**
Borrowings	-	-	4,000	145,228	-	**149,228**
Other liabilities	-	-	-	-	727,802	**727,802**
Lease liabilities	-	132	30,329	30,999	-	**61,460**
Total financial liabilities	**6,123,543**	**726,810**	**1,244,056**	**247,843**	**21,293,257**	**29,635,509**
Total interest re-pricing gap	**(4,846,847)**	**717,060**	**1,626,935**	**15,054,279**	**(10,717,048)**	**1,834,379**

At 31 December 2022						
Assets						
Cash and bank balances	140,082	-	-	-	6,258,200	6,398,282
Government securities	131,605	4,931,179	348,538	2,444,112	-	7,855,434
Loans and advances	720,500	2,493,706	2,937,008	2,714,828	-	8,866,042
Other financial assets	-	-	-	-	920,115	920,115
Total financial assets	992,187	7,424,885	3,285,546	5,158,940	7,178,315	24,039,873
Liabilities						
Deposits from banks	1,843,006	-	-	-	-	1,843,006
Customer deposits	2,866,272	102,989	788,983	369,679	16,295,938	20,423,861
Borrowings	-	-	9,972	-	-	9,972
Other liabilities	-	-	-	-	629,346	629,346
Lease liabilities	1,254	2,215	12,820	48,866	-	65,155
Total financial liabilities	4,710,532	105,204	811,775	418,545	16,925,284	22,971,340
Total interest re-pricing gap	(3,718,345)	7,319,681	2,473,771	4,740,395	(9,746,969)	1,068,533

Notes (All amounts are expressed in thousands of Ghana cedis)

Bank **At 31 December 2023**	**Up to 1 month GH¢'000**	**1-3 months GH¢'000**	**3-12 months GH¢'000**	**Non-Over 1 year GH¢'000**	**interest bearing GH¢'000**	**Total GH¢'000**
Assets						
Cash and bank balances	1,293,507	75,650	-	-	9,886,094	**11,255,251**
Investment securities	-	650,657	598,308	8,734,888	-	**9,983,853**
Loans and advances to customers	1,726	657,495	2,240,315	6,544,595	-	**9,444,131**
Other financial assets	-	-	-	-	640,508	**640,508**
Total financial assets	**1,295,233**	**1,383,802**	**2,838,623**	**15,279,483**	**10,526,602**	**31,323,743**
Liabilities						
Deposits from banks	3,010,316	-	-	-	-	3,010,316
Customer deposits	3,765,314	621,037	648,801	68,116	20,538,849	25,642,117
Borrowings	-	-	4,000	145,228	-	149,228
Other liabilities	-	-	-	-	723,452	723,452
Lease liabilities	-	132	28,023	26,063	-	54,218
Total financial liabilities	**6,775,630**	**621,169**	**680,824**	**239,407**	**21,262,301**	**29,579,331**
Total interest re-pricing gap	**(5,480,397)**	**762,633**	**2,157,799**	**15,040,076**	**(10,735,699)**	**1,744,412**
At 31 December 2022						
Assets						
Cash and bank balances	475,487	54,496	-	-	5,913,634	6,443,617
Government securities	14,068	4,931,179	348,538	2,436,112	-	7,729,897
Loans and advances to customers	1,259,251	2,200,560	2,640,672	2,701,756	-	8,802,239
Other financial assets	-	-	-	-	918,444	918,444
Total financial assets	1,748,806	7,186,235	2,989,210	5,137,868	6,832,078	23,894,197
Liabilities						
Deposits from banks	2,635,136	-	-	-	-	2,635,136
Customer deposits	2,752,822	102,989	92,261	369,679	16,272,667	19,590,418
Borrowings	-	-	9,972	-	-	9,972
Other liabilities	-	-	-	-	588,448	588,448
Lease liabilities	-	2,215	12,433	43,945	-	58,593
Total financial liabilities	5,387,958	105,204	114,666	413,624	16,861,115	22,882,567
Total interest re-pricing gap	(3,639,152)	7,081,031	2,874,544	4,724,244	(10,029,037)	1,011,630

An increase of 1% (100 basis points) in market interest rates from the rates applicable at 31 December 2023 would result in an increase in profit for the year by GH¢18.5 million (2022: GH¢11 million) and GH¢17.9 million (2022: GH¢10.4 million) and vice-versa for the Group and Bank respectively.

3.3.3 Foreign exchange risk

Foreign exchange risk is measured through the statement of comprehensive income. The Group takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. Management sets limits on the level of exposure by currency and in total for both overnight and intra-day positions. The table below summarises the Group's exposure by currency exchange rates on its financial position and cash flows.

At 31 December 2023

Group

	EUR	USD	GBP	GH¢	Others	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Assets						
Cash and balances with banks	879,970	4,141,390	389,313	5,807,226	38,865	**11,256,764**
Investment securities	328,160	3,793,566	-	5,903,624	-	**10,025,350**
Loans and advances to customers	243,419	3,739,967	38	5,534,285	-	**9,517,709**
Other financial assets	615	130,072	1,012	538,366	-	670,065
Total	**1,452,164**	**11,804,995**	**390,363**	**17,783,501**	**38,865**	**31,469,888**
Liabilities						
Deposits from banks	11,401	102,815	999	2,241,121	1,893	**2,358,229**
Customer deposits	1,080,037	11,317,199	374,100	13,558,452	9,002	**26,338,790**
Borrowings	-	-	-	149,228	-	**149,228**
Other liabilities	9,249	438,578	475	279,500	-	**727,802**
Lease liabilities	-	14,745	-	46,715	-	**61,460**
Total	**1,100,687**	**11,873,337**	**375,574**	**16,275,016**	**10,895**	**29,635,509**
Net on-balance sheet exposure	**351,477**	**(68,342)**	**14,789**	**1,508,485**	**27,970**	**1,834,379**
Changes in currency rate (cedi depreciation)	4%	3%	3%	-	3%	
Effect on loss before tax	**14,059**	**(2,050)**	**444**	**-**	**839**	**13,292**

Notes (All amounts are expressed in thousands of Ghana cedis)

At 31 December 2022

Group

	EUR GH¢'000	USD GH¢'000	GBP GH¢'000	GH¢ GH¢'000	Others GH¢'000	Total GH¢'000
Assets						
Cash and balances with banks	482,033	1,286,444	103,113	4,513,867	12,825	6,398,282
Government securities	233,860	2,056,258	-	5,565,316	-	7,855,434
Loans and advances to customers	235,277	3,024,356	-	5,606,409	-	8,866,042
Other financial assets	171	98,928	56	820,960	-	920,115
Total	951,341	6,465,986	103,169	16,506,552	12,825	24,039,873
Liabilities						
Deposits from banks	166,110	899,963	29,994	734,112	12,827	1,843,006
Customer deposits	747,179	7,803,908	216,707	11,648,991	7,076	20,423,861
Borrowings	-	9,972	-	-	-	9,972
Other liabilities	5,425	296,134	110	327,677	-	629,346
Lease liabilities	-	29,684	-	35,471	-	65,155
Total	918,714	9,039,661	246,811	12,746,251	19,903	22,971,340
Net on balance sheet exposure	32,627	(2,573,675)	(143,642)	3,760,301	(7,078)	1,068,533
Changes in currency rate (cedi depreciation)	4%	3%	3%	-	3%	
Effect on profit before tax	1,305	(77,210)	(4,309)	-	(212)	(80,426)

At 31 December 2023

Bank

	EUR GH¢'000	USD GH¢'000	GBP GH¢'000	GH¢ GH¢'000	Others GH¢'000	Total GH¢'000
Assets						
Cash and balances with banks	879,970	4,141,383	389,313	5,805,720	38,865	**11,255,251**
Investment securities	328,160	3,793,566	-	5,862,127	-	**9,983,853**
Loans and advances to customers	243,419	3,739,967	38	5,460,707	-	**9,444,131**
Other financial assets	615	130,072	1,012	508,809	-	**640,508**
Total	**1,452,164**	**11,804,988**	**390,363**	**17,637,363**	**38,865**	**31,323,743**
Liabilities						
Deposits from banks	11,401	102,815	999	2,893,208	1,893	**3,010,316**
Customer deposits	1,080,037	11,317,199	374,100	12,861,779	9,002	**25,642,117**
Borrowings	-	-	-	149,228	-	**149,228**
Other liabilities	9,249	438,577	475	275,151	-	**723,452**
Lease liabilities	-	14,745	-	39,473	-	**54,218**
Total	**1,100,687**	**11,873,336**	**375,574**	**16,218,839**	**10,895**	**29,579,331**
Net on balance sheet exposure	**351,477**	**(68,348)**	**14,789**	**1,418,524**	**27,970**	**1,744,412**
Changes in currency rate (cedi depreciation)	4%	3%	3%	-	3%	
Effect on loss before tax	**14,059**	**(2,050)**	**444**		**839**	**13,292**

Notes (All amounts are expressed in thousands of Ghana cedis)

At 31 December 2022

Bank

	EUR GH¢'000	USD GH¢'000	GBP GH¢'000	GH¢ GH¢'000	Others GH¢'000	Total GH¢'000
Assets						
Cash and balances with banks	482,033	1,286,444	103,113	4,559,201	12,826	6,443,617
Government securities	233,860	2,056,258	-	5,439,779	-	7,729,897
Loans and advances to customers	235,277	3,024,356	-	5,542,606	-	8,802,239
Other financial assets	171	98,928	56	819,289	-	918,444
Total	951,341	6,465,986	103,169	16,360,875	12,826	23,894,197
Liabilities						
Deposits from banks	166,110	899,963	29,994	1,526,243	12,826	2,635,136
Customer deposits	747,179	7,803,908	216,707	10,815,548	7,076	19,590,418
Borrowings	-	9,972	-	-	-	9,972
Other liabilities	5,425	296,134	110	286,779	-	588,448
Lease liabilities	-	29,684	-	28,909	-	58,593
Total	918,714	9,039,661	246,811	12,657,479	19,902	22,882,567
Net on balance sheet exposure	32,627	(2,573,675)	(143,642)	3,703,396	(7,076)	1,011,630
Changes in currency rate (cedi depreciation)	4%	3%	3%	-	3%	
Effect on profit before tax	1,305	(77,210)	(4,309)	-	(212)	(80,426)

The following exchange rates applied during the year; GH¢ 1 to:

Group and Bank	AVERAGE RATE		REPORTING RATE	
	2023	2022	**2023**	2022
USD	**11.0213**	8.3109	**11.8800**	8.5760
GBP	**13.7119**	10.1606	**15.1334**	10.3118
EURO	**11.9191**	8.6856	**13.1264**	9.1457
XOF	**0.0181**	0.0161	**0.0200**	0.0139

3.3.4 Market risk measurement techniques

The Group applies the 'value at risk' methodology (VAR) to its trading portfolio, to estimate exposure to market risk of positions held and maximum losses expected, based on a number of assumptions for various changes in market conditions. The Board sets limits on the value of risk that may be accepted for the Group, which are monitored on a daily basis by Group Treasury.

VAR is a statistically based estimate of the potential loss on the current portfolio from adverse market movements. It expresses the 'maximum' amount the Group might lose, but only to a certain level of confidence (98%).

There is therefore a specified statistical probability (2%) that actual loss could be greater than the VAR estimate. The VAR model assumes a certain 'holding period' until positions can be closed (10 days). It also assumes that market movements occurring over this holding period will follow a similar pattern to those that have occurred over the preceeding10-day period in the past.

The Group's assessment of past movements is based on data for the past five years. The Group applies these historical changes in rates, prices, indices, etc. directly to its current positions - a method known as historical simulation. Actual outcomes are monitored regularly to test the validity of assumptions and parameters/factors used in the VAR calculation.

The use of this approach does not prevent losses outside of these limits in the event of more significant market movements. The table below shows a summary statistics of VAR for the Group's trading portfolio during 2023 and 2022.

Group and Bank	2023			2022		
	Low GH¢'000	**Average GH¢'000**	**High GH¢'000**	Low GH¢'000	Average GH¢'000	High GH¢'000
Foreign exchange risk	**268**	**497**	**680**	35	453	4,125
Interest rate risk	**2,478**	**14,107**	**43,360**	1,806	11,800	18,474

3.3.5 Risk monitoring and control

The Risk Management department is responsible for reviewing exposure to market risk. The Treasury department monitors interest rate and liquidity risks through daily, weekly, and monthly reviews of the structure and pricing of assets and liabilities. Assets and Liability Committee (ALCO) meetings are also held monthly.

The Group analyses the impact of unlikely, but not impossible events by means of scenario analysis, which enables management gain a better understanding of risks that it could be exposed to in extreme conditions. Both historical and hypothetical events are tested.

3.3.6 Risk reporting

Reports on the Group's positions are reviewed daily by the Internal Audit and Compliance Unit. Reports include foreign currency positions and liquidity positions in all currencies. Variations to expectations are reviewed and corrected if need be.

3.3.7 Operational Risk

Operational risk, the risk of loss resulting from inadequate or failed internal processes, people, and systems or external events. It is inherent in every product and service that Ecobank provides. It occurs in a variety of ways, including internal fraud, external fraud, transaction processing errors, business interruptions and disputes with employees, clients and vendors. Operational risk includes legal risk, the risk of loss due to failure to comply with laws, ethical standards and contractual obligations, and compliance risk, the risk of loss (sanctions, penalties, damages or voiding of contracts) due to violation of rules and regulations in force in the countries where the Group operates. A specific form of compliance risk is disclosure risk which is due to reporting of incomplete or false information, or not meeting accounting and reporting requirements of regulatory , supervisory or fiscal authorities. Compliance risk is heightened when applicable rules or regulations are ambiguous. Operational risk events give rise to reputational risk for the Group.

The Ecobank lines of defence

Group Operational Risk Management/Internal Control proactively engage all business and functional units across the Group to drive a strong Operational Risk Management culture and framework is employed to drive ownership, timely and proactive risk identification, management and mitigation of actual and potential risks across the organisation.

Ist Line of Defence: Business and functional units/departments	Each business unit owns its risks and has the responsibility and accountability for directly identifying, assessing and mitigating those risks.
2nd Line of Defence: Control Functions (Risk Management, Operational Risk/Internal Control, Compliance, Finance, Legal etc.)	The control functions monitor and facilitate the implementation of effective risk management practices and assist risk owners in reporting adequate risk-related information up and down the organisation.
3rd Line of Defence: Internal Audit	Internal Audit provides independent assessment and evaluation of the control environment, assurance to the Board and senior management on the effectiveness of the first and second lines of defence, and the effectiveness of how the organisation assesses and manages its risk

In addition to the three lines of defence framework implemented across affiliates, the Ecobank Group continues to devote serious and sustained efforts to align activities of affiliates and subsidiaries with the governance models and exigences of the varied regulatory bodies that govern the activities.

3.4 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet payment obligations associated with financial liabilities when they fall due and replace funds when they are withdrawn. The consequence may be the failure to meet obligations to repay depositors and fulfil commitments to lend. It is the policy of the Group to maintain adequate liquidity at all times and to be in a position to meet all obligations, repay depositors, fulfil commitments to lend and meet any other commitments as and when they fall due.

The management of liquidity risk is governed by the Group's liquidity policy. Responsibility for the management of liquidity risk lies with the Bank's Assets and Liability Management Committee (ALCO), which is chaired by an Executive Director. ALCO is responsible for both statutory and prudential liquidity as well as compliance with regulatory requirements.

The primary objective of liquidity risk management is to provide a planning mechanism for unanticipated changes in demand or needs for liquidity created by customer behaviour or abnormal market conditions. ALCO emphasises the maximisation and preservation of customer deposits and other funding sources. ALCO also monitors deposit rates, levels, trends and significant changes.

Liquidity is managed on a short to medium-term basis. In the short term, the focus is on ensuring that cash flow demands can be met as and when required. The focus, in the medium term, is on ensuring that the balance sheet remains structurally sound and aligned to the Group's strategy.

A substantial portion of the Group's assets are funded by customer deposits made up of current and savings accounts and other deposits. These customer deposits, which are widely diversified by type and maturity, represent a stable source of surplus funds. Lending is normally funded by liability in the same currency.

The Group also maintains significant levels of marketable securities to meet compliance with prudential investment of surplus funds. ALCO oversees structural foreign currency and interest rate exposures that arise within the Group. These responsibilities are coordinated by ALCO during monthly meetings. The Group places low reliance on interbank funding and foreign markets.

The table below presents the cash flows payable under non-derivative financial liabilities and assets held for managing liquidity risk by remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows, whereas the Group manages the inherent liquidity risk based on expected undiscounted cash inflows.

Notes (All amounts are expressed in thousands of Ghana cedis)

Group **At 31 December 2023**	**Up to 1 month GH¢'000**	**1-3 months GH¢'000**	**3-12 months GH¢'000**	**Over 1 year GH¢'000**	**Total GH¢'000**
Liabilities					
Deposits from banks	2,393,602	-	-	-	**2,393,602**
Deposits from customers	20,222,066	1,302,595	3,088,700	2,418,971	**27,032,332**
Other liabilities	727,802	-	-	-	**727,802**
Borrowings	-	6,013	22,398	322,000	**350,411**
Lease liabilities	-	136	33,286	32,936	**66,358**
Total	23,343,470	1,308,744	3,144,384	2,773,907	**30,570,505**
Assets					
Cash and balances with banks	11,181,114	75,650	-	-	**11,256,764**
Investment securities	-	692,154	598,308	8,734,888	**10,025,350**
Loans and advances to customers	1,726	676,066	2,272,683	6,567,234	**9,517,709**
Other financial assets	670,065	-	-	-	**670,065**
Assets held for managing liquidity risk	11,852,905	1,443,870	2,870,991	15,302,122	**31,469,888**
Liquidity gap	**(11,490,565)**	**135,126**	**(273,393)**	**12,528,215**	**899,383**
At 31 December 2022					
Liabilities					
Deposits from banks	1,843,821	-	-	-	1,843,821
Deposits from customers	19,353,833	104,019	796,873	373,376	20,628,101
Other liabilities	588,448	-	-	-	588,448
Borrowings	-	-	10,570	-	10,570
Lease liabilities	1,317	2,371	14,102	55,218	73,008
	21,787,419	106,390	821,545	428,594	23,143,948
Assets					
Cash and balances with banks	6,398,282	-	-	-	6,398,282
Government securities	131,605	4,931,179	348,538	2,444,112	7,855,434
Loans and advances to customers	720,500	2,493,706	2,937,008	2,714,828	8,866,042
Other financial assets	920,115	-	-	-	920,115
Assets held for managing liquidity risk	8,170,502	7,424,885	3,285,546	5,158,940	24,039,873
Liquidity gap	(13,616,917)	7,318,495	2,464,001	4,730,346	895,925

Bank **At 31 December 2023**	**Up to 1 month GH¢'000**	**1-3 months GH¢'000**	**3-12 months GH¢'000**	**Over 1 year GH¢'000**	**Total GH¢'000**
Liabilities					
Deposits from banks	3,055,471	-	-	-	3,055,471
Deposits from customers	20,724,352	981,037	2,391,280	1,387,815	25,484,484
Other liabilities	723,452	-	-	-	723,452
Borrowings	-	6,013	22,398	322,000	350,411
Lease liabilities	-	136	30,755	27,695	58,586
Total	**24,503,275**	**987,186**	**2,444,433**	**1,737,510**	**29,672,404**
Assets					
Cash and balances with banks	11,179,601	75,650	-	-	11,255,251
Investment securities	-	650,657	598,308	8,734,888	9,983,853
Loans and advances to customers	1,726	657,495	2,240,315	6,544,595	9,444,131
Other financial assets	640,508	-	-	-	640,508
Assets held for managing liquidity risk	**11,821,835**	**1,383,802**	**2,838,623**	**15,279,483**	**31,323,743**
Liquidity gap	**(12,681,440)**	**396,616**	**394,190**	**13,541,973**	**1,651,339**
At 31 December 2022					
Liabilities					
Deposits from banks	2,658,805	-	-	-	2,658,805
Deposits from customers	19,055,311	106,336	104,255	417,737	19,683,639
Other liabilities	658,209	-	-	-	658,209
Borrowings	-	299	10,271	-	10,570
	22,372,325	106,635	114,526	417,737	23,011,223
Assets					
Cash and balances with banks	6,386,979	56,638	-	-	6,443,617
Government securities	14,068	4,931,179	348,538	2,436,112	7,729,897
Loans and advances to customers	1,259,251	2,200,560	2,640,672	2,701,756	8,802,239
Other financial assets	918,444	-	-	-	918,444
Assets held for managing liquidity risk	8,578,742	7,188,377	2,989,210	5,137,868	23,894,197
Liquidity gap	(13,793,583)	7,081,742	2,874,684	4,720,131	882,974

Notes (All amounts are expressed in thousands of Ghana cedis)

3.5 Country analysis

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

Group	In Ghana 2023 GH¢'000	Outside Ghana 2023 GH¢'000	In Ghana 2022 GH¢'000	Outside Ghana 2022 GH¢'000
Assets				
Cash and bank balances	**8,224,913**	**3,031,851**	5,141,795	1,256,487
Investment securities	**9,483,350**	**542,000**	7,462,515	397,236
Loans and advances to customers	**9,517,709**	**-**	8,866,042	-
Other financial assets	**670,065**	**-**	920,115	-
	27,896,037	**3,573,851**	22,390,467	1,653,723
Liabilities				
Deposits from banks	**1,411,158**	**947,071**	1,385,276	457,729
Deposits from customers	**26,338,790**	**-**	20,423,861	-
Borrowings	**149,228**	**-**	-	9,972
Other liabilities	**727,802**	**-**	699,107	-
Lease liabilities	**61,460**	**-**	65,155	-
	28,688,438	**947,071**	22,573,399	467,701

Bank				
Assets				
Cash and bank balances	**8,223,400**	**3,031,851**	5,187,130	1,256,487
Investment securities	**9,441,853**	**542,000**	7,336,978	397,236
Loans and advances to customers	**9,444,131**	**-**	8,802,239	-
Other financial assets	**640,508**	**-**	918,444	-
	27,749,892	**3,573,851**	22,244,791	1,653,723
Liabilities				
Deposits from banks	**2,063,245**	**947,071**	2,177,407	457,729
Deposits from customers	**25,642,117**	**-**	19,590,418	-
Borrowings	**149,228**	**-**	-	9,972
Other liabilities	**723,452**	**-**	588,448	-
Lease liabilities	**54,218**	**-**	58,593	-
	28,632,260	**947,071**	22,414,866	467,701

3.6 Fair value of financial assets and liabilities

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

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

(a) Valuation models

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

- **Level 1:** inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

- **Level 2:** inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active, or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

- **Level 3:** inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

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

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date. The Group uses widely recognised valuation models for determining the fair value of common and more simple financial instruments that use only observable market data and require little management judgment and estimation.

Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

For valuation of unlisted securities for the period, the group performed valuation using net owned funds model. Where net owned funds represent the aggregate of the amount paid as stated capital and free reserves of a cash dealer reduced by the amount of accumulated balance of loss, deferred revenue expenditure and other intangible assets, as disclosed in its latest audited balance sheet.

Notes (All amounts are expressed in thousands of Ghana cedis)

(b) Financial instruments measured at fair value – fair value hierarchy

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

Group **At 31 December 2023**	**Level 1 GH¢'000**	**Level 2 GH¢'000**	**Level 3 GH¢'000**	**Total fair value GH¢'000**
Investment securities – FVPL	208,699	-	-	**208,699**
Investment securities – FVOCI	1,640,598	-	-	**1,640,598**
Equity securities	-	-	4,317	**4,317**
	1,849,297	**-**	**4,317**	**1,853,614**
At 31 December 2022				
Investment securities – FVP	380,811	731,548	-	**1,112,359**
Investment securities – FVOCI	1,840,610	14,068	-	**1,854,678**
Equity securities	-	-	4,317	**4,317**
	2,221,421	745,616	4,317	2,971,354

Bank **At 31 December 2023**				
Investment securities – FVPL	208,699	-	-	**208,699**
Investment securities – FVOCI	1,640,598	-	-	**1,640,598**
Equity securities	-	-	4,317	**4,317**
	1,849,297	-	**4,317**	**1,853,614**
At 31 December 2022				
Investment securities – FVPL	380,811	731,548	-	1,112,359
Investment securities – FVOCI	1,840,610	14,068	-	1,854,678
Equity securities	-	-	4,317	4,317
	2,221,421	745,616	4,317	2,971,354

The movement in level 3 instruments can be found in note 20(e).

(c) Financial instruments not measured at fair value

The following table sets out the fair values of financial instruments not measured at fair value in the statement of financial position, analysed by reference to levels in the fair value hierarchy into which each fair value measurement is categorised:

Group **At 31 December 2023**	**Level 1** **GH¢'000**	**Level 2** **GH¢'000**	**Level 3** **GH¢'000**	**Total fair value** **GH¢'000**	**Total carrying amount** **GH¢'000**
Cash and balances with banks	9,906,144	1,350,620	-	11,256,764	11,256,764
Loans and advances to customers	-	9,360,189	-	9,360,189	9,517,709
Investment securities	-	8,328,568	-	8,328,568	8,384,753
Other financial assets	-	-	623,891	623,891	670,065
	9,906,144	**19,039,377**	**623,891**	**29,569,412**	**29,829,291**
Deposits from banks	-	2,358,229	-	2,358,229	2,358,229
Customer deposits	-	26,017,884	-	26,017,884	26,338,790
Borrowings	-	149,228	-	149,228	149,228
Other liabilities	-	-	727,802	727,802	727,802
	-	**28,525,341**	**727,802**	**29,253,143**	**29,574,049**
At 31 December 2022					
Cash and balances with banks	6,258,200	140,082	-	6,398,282	6,398,282
Loans and advances to customers	-	8,744,589	-	8,744,589	8,866,042
Investment securities	-	4,698,459	-	4,698,459	4,888,397
Other financial assets	-	-	874,109	874,109	920,115
	6,258,200	13,583,130	874,109	20,715,439	21,072,836
Deposits from banks	-	1,843,006	-	1,843,006	1,843,006
Customer deposits	-	20,400,384	-	20,400,384	20,423,861
Borrowings	-	10,470	-	10,470	9,972
Other liabilities	-	-	629,346	629,346	629,346
	-	22,253,860	629,346	22,883,206	22,906,185

Notes (All amounts are expressed in thousands of Ghana cedis)

Bank **At 31 December 2023**	**Level 1** **GH¢'000**	**Level 2** **GH¢'000**	**Level 3** **GH¢'000**	**Total fair value** **GH¢'000**	**Total carrying amount** **GH¢'000**
Cash and balances with banks	9,876,121	1,379,130	-	11,255,251	**11,255,251**
Loans and advances to customers	-	9,305,127	-	9,305,127	**9,444,131**
Investment securities	-	8,287,071	-	8,287,071	**8,343,256**
Other financial assets	-	-	640,508	640,508	**640,508**
	9,876,121	**18,971,328**	**640,508**	**29,487,957**	**29,683,146**
Deposits from banks	-	3,010,316	-	3,010,316	**3,010,316**
Customer deposits	-	25,322,107	-	25,322,107	**25,642,117**
Borrowings	-	149,228	-	149,228	**149,228**
Other liabilities	-	-	723,452	723,452	**723,452**
	-	**28,481,651**	**723,452**	**29,205,103**	**29,525,113**
At 31 December 2022					
Cash and balances with banks	6,227,000	216,617	-	6,443,617	6,443,617
Loans and advances to customers	-	8,681,660	-	8,681,660	8,802,239
Investment securities	-	4,572,343	-	4,572,343	4,762,858
Other financial assets	-	-	918,444	918,444	918,444
	6,227,000	13,470,620	918,444	20,616,064	20,927,158
Deposits from banks	-	2,635,136	-	2,635,136	2,635,136
Customer deposits	-	19,688,369	-	19,688,369	19,590,418
Borrowings	-	10,470	-	10,470	9,972
Other liabilities	-	-	588,448	588,448	588,448
	-	22,333,975	588,448	22,922,423	22,823,974

There were no transfers of financial instruments between levels during the year.

The fair value of government securities is based on market prices or broker/dealer price quotations. Where this information is not available, fair value is determined using quoted market prices for securities with similar credit, maturity and yield characteristics.

All the fair values are determined using the Level 2 fair value hierarchy.

(i) Cash and balances with banks

The carrying amount of cash and balances with banks is a reasonable approximation of fair value

(ii) Loans and advances to customers

Loans and advances are net of charges for impairment. The estimated fair value of loans and advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

(iii) Deposit from bank and customers

The estimated fair value of deposits with no stated maturity, which includes non-interest bearing deposits, is the amount repayable on demand. The estimated fair value of fixed interest-bearing deposits not quoted in an active market is based on discounted cash flows using interest rates for new debts with similar remaining maturity. For those notes where quoted market prices are not available, a discounted cash flow model is used based on a current yield curve appropriate for the remaining term to maturity.

(iv) Other assets

The bulk of these financial assets have short term (less than 12 months) maturities and their amounts are a reasonable approximation of fair value.

(v) Other liabilities

The carrying amount of financial liabilities in other liabilities is a reasonable approximation of fair value because these are short term in nature with a maturity of less than one year.

(vi) Borrowed funds

The estimated fair value of borrowed funds represents the discounted amount of estimated future cash flows expected to be paid. Expected cash flows are discounted at current market rates to determine the fair value. This will take into account closest similar instrument.

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

The fair value of advances to and from banks is based on discounted cash flow techniques applying the rates of similar maturities and terms.

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

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

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

3.7 Fair value of non-financial assets and liabilities

Land and buildings

An external, independent valuation company, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, values the Group's property. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Group and Bank	Level 1 GH¢'000	Level 2 GH¢'000	Level 3 GH¢'000
2023 and 2022			
Land and buildings	-	-	1,204,552

There were no transfers of assets between any levels during the year.

4.0 CAPITAL MANAGEMENT

The Group's objectives when managing capital include:

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

Implementation of Basel

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

Capital adequacy and the use of regulatory capital are monitored daily by management, employing techniques based on guidelines developed by the Basel Committee as implemented by Bank of Ghana for supervisory purposes. The required information is filed with Bank of Ghana on a monthly basis. Bank of Ghana requires each bank to:

(a) hold a minimum regulatory capital of GH¢400 million; and

(b) maintain a ratio of total regulatory capital to risk-weighted assets above a required minimum as advised by the Bank of Ghana.

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

- **Common Equity Tier 1 capital:** includes ordinary (common) shares issued by the bank that meet the criteria for classification as ordinary shares for regulatory purposes, retained earnings, statutory reserves and disclosed reserves after deducting specified assets such as intangibles and certain classes of investments.

- **Common Equity Tier 2** capital: includes qualifying subordinated loan capital, property revaluation reserves and unrealised gains arising on the fair valuation of instruments held as hold to collect and sell.

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

The Bank of Ghana revised the required ratio of total regulatory capital to risk-weighted assets to 10% as part of regulatory reliefs for Banks to address the potential impact from participation in the Government Domestic Debt Exchange Programme.

Notes (All amounts are expressed in thousands of Ghana cedis)

The Bank of Ghana Capital Requirements Directive (CRD or 'the Directive') issued under Section 92(1) of the Banks and Specialised Deposit-taking Institutions Act, 2016 (Act 930) ('the BSDI Act') and Section 4(d) of the Bank of Ghana Act, 2002 (Act 612) prescribes a risk-based capital adequacy requirement.

The tables below summarise the composition of regulatory capital adequacy ratios of the Group and Bank.

	Group 2023 GH¢'000	Bank 2023 GH¢'000
Tier 1 Capital		
Paid up Capital (ordinary shares)	416,641	416,641
Statutory reserves	719,636	713,295
Retained earnings	1,678,134	1,626,794
Minority interest	706	-
Other qualifying reserves	1,411,974	1,411,974
Common Equity Tier 1 capital before adjustments	4,227,091	4,168,704
Regulatory adjustments to Tier 1 capital	(1,522,483)	(1,517,208)
Total qualifying tier 1 capital	2,704,608	2,651,496
Tier 2 Capital		
Property revaluation reserves	441,151	441,151
Other reserves	-	-
Total qualifying tier 2 capital (restricted to 3% of total risk weighted assets)	441,151	441,151
Total regulatory capital	3,145,759	3,092,647
Risk profile		
Total credit risk-weighted assets	16,695,737	16,602,161
Total operational risk-weighted assets	6,156,514	6,119,485
Total market risk-weighted assets	195,970	195,970
Total risk-weighted assets	23,048,221	22,917,616
Tier 1 Ratio	11.73%	11.57%
Capital adequacy ratio	13.65%	13.49%
Leverage ratio	7.80%	7.68%

The Group complied with all external capital requirements.

	Group 2022 GH¢'000	Bank 2022 GH¢'000
Tier 1 Capital		
Paid up Capital (Ordinary Shares)	416,641	416,641
Statutory reserves	641,710	635,860
Retained earnings	1,199,629	1,160,919
Minority interest	607	-
Other qualifying reserves	966,155	966,155
Common Equity Tier 1 capital before adjustments	3,224,742	3,179,575
Regulatory adjustments to Tier 1 capital	(1,040,708)	(1,073,237)
Total qualifying tier 1 capital	2,184,034	2,106,338
Tier 2 Capital		
Property revaluation reserves	441,151	441,151
Other reserves	-	-
Total qualifying tier 2 capital (restricted to 3% of total risk weighted assets)	441,151	441,151
Total regulatory capital	2,625,185	2,547,489
Risk profile		
Total credit risk-weighted assets	13,213,223	13,156,786
Total operational risk-weighted assets	4,175,048	4,175,048
Total market risk-weighted assets	83,755	83,755
Total risk-weighted assets	17,472,026	17,415,589
Tier 1 ratio	12.50%	12.09%
Capital adequacy ratio	15.03%	14.63%
Leverage ratio	7.92%	7.69%

The Group complied with all external capital requirements.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

(a) Impairment losses on loans and advances

The Group reviews its loan portfolio to assess impairment at least on a quarterly basis. In determining whether an impairment loss should be recorded in profit or loss, the Group considers observable data that may indicate measurable decreases in estimated future cash flows from a portfolio of loans before decreases can be identified with individual loans in that portfolio. This evidence may include observable data indicating adverse changes in the payment status of borrowers in a group, or economic conditions that correlate with defaults on assets in a group. Management uses estimates based on historical loss experience for assets with similar credit risk characteristics and objective evidence. The disclosure for impairment losses on loans and advances is presented in note 3.1 and 3.2.3.

(b) Fair value of financial instruments

The fair value of financial instruments where no active market exists or where quoted prices are not otherwise available are determined using valuation techniques. In these cases, fair values are estimated from observable data in respect of similar financial instruments or using models. Models are calibrated to ensure that outputs reflect actual data and comparative market prices. The disclosure for the valuation of unlisted securities is presented in note 3.6.a.

(c) Income taxes

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

(d) Leases

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

(e) Revaluation of land and building

Land and buildings are recognised at fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. A revaluation surplus is credited to other reserves in shareholders' equity. All other property, plant and equipment is recognised at historical cost less depreciation. Valuation was performed on 31 December 2022 by Valuation and Investment Associates using the cost approach.

(f) Impairment of investment securities

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

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

	Group		Bank	
	2023	2022	**2023**	2022

6. INTEREST INCOME

Placements and short-term funds	**313,185**	48,276	**206,648**	48,031
Government securities – Non-trading assets	**990,439**	480,907	**983,079**	476,789
Government securities – Trading assets	**596,887**	929,940	**596,580**	890,664
Loans and advances	**2,319,481**	1,474,438	**2,281,112**	1,443,826
	4,219,992	2,933,561	**4,067,419**	2,859,310

7. INTEREST EXPENSE

Demand deposits	**343,614**	129,963	**340,800**	192,318
Time deposits	**239,601**	203,974	**142,540**	127,077
Borrowed funds	**35,833**	14,961	**35,833**	14,253
Savings accounts	**80,071**	62,675	**76,209**	59,686
	699,119	411,573	**595,382**	393,334

8. FEE AND COMMISSION INCOME

Trade finance fees	**88,906**	82,677	**88,906**	82,677
Credit related fees and commissions	**53,072**	56,493	**49,624**	53,855
Cash management	**237,619**	180,498	**211,394**	167,056
Other fees and commissions	**224,865**	98,878	**224,863**	98,878
	604,462	418,546	**574,787**	402,466

Notes (All amounts are expressed in thousands of Ghana cedis)

	Group		Bank	
	2023	2022	**2023**	2022

9. FEE AND COMMISSION EXPENSE

Transaction and interchange	**156,151**	**82,562**	**156,151**	82,562

10. NET TRADING INCOME

Net foreign exchange:				
- translation losses	**(58,201)**	(210,773)	**(58,613)**	(212,505)
- transaction gains	**835,557**	393,633	**835,557**	393,633
Net fair value gain/(losses)	**522,718**	(157,608)	**522,718**	(157,608)
	1,300,074	25,252	**1,299,662**	23,520

Transaction gains are attributable to trading in treasury bills, corporate bonds and foreign currencies.

11. OTHER OPERATING INCOME

Rental income	**17,797**	25,350	**17,797**	25,350
Management service fee	**-**	-	**120**	-
Recoveries on loans previously written off	**37,560**	58,787	**37,560**	58,065
	55,357	84,137	**55,477**	83,415

12. NET IMPAIRMENT CHARGE

Changes in impairment charges:				
Loans and advances to customers (Note19)	**601,860**	58,295	**598,578**	55,667
Investment securities (Note 20)	**1,225,800**	1,626,298	**1,230,369**	1,621,729
Other assets (Note 21)	**(15,727)**	30,936	**(15,727)**	30,936
Contingent liabilities (Note 39)	**9,015**	(10,403)	**9,015**	(10,403)
	1,820,948	1,705,126	**1,822,235**	1,697,929

	Group		Bank	
	2023	2022	**2023**	2022

13. PERSONNEL EXPENSES

Personnel expenses comprise:				
Wages and salaries	**322,030**	364,974	**304,105**	350,394
Social security fund contribution	**22,931**	20,023	**21,388**	18,678
Defined benefits expense (Note 22)	**58,433**	16,546	**58,433**	16,546
Others	**263,172**	136,375	**252,328**	128,835
	666,566	537,918	**636,254**	514,453

Social security fund contribution is a defined contribution scheme. The number of persons employed by the Group and the Bank at the end of the year was 1,527 (2022: 1,636) and 1,230 (2022: 1,272) respectively.

	Group		Bank	
	2023	2022	**2023**	2022

14. DEPRECIATION AND AMORTISATION

Depreciation of right-of-use assets (Note 25)	**24,884**	23,317	**22,279**	21,664
Amortisation of intangible assets (Note 26)	**17,586**	23,260	**17,513**	23,202
Depreciation of property and equipment (Note 27)	**40,707**	28,003	**39,605**	26,952
	83,177	74,580	**79,397**	71,818

15. OTHER OPERATING EXPENSES

Technology and communication	**405,783**	338,244	**403,048**	335,428
Business promotion	**13,560**	11,697	**12,856**	11,121
Advertising	**18,680**	15,184	**18,575**	15,150
Training	**2,066**	3,519	**2,066**	3,518
Auditor's remuneration	**4,107**	3,897	**3,505**	3,295
Directors' emoluments	**3,037**	2,150	**2,668**	1,950
Corporate social responsibility (Note 45)	**3,379**	2,051	**3,379**	2,051
Other expenses	**374,056**	292,960	**353,064**	282,366
	824,668	669,702	**799,161**	654,879

Other operating expenses include utilities, repairs and maintenance, etc.

Notes (All amounts are expressed in thousands of Ghana cedis)

16. CURRENT INCOME TAX AND LEVIES

	Group		Bank	
	2023	2022	**2023**	2022
Income tax expense	**352,541**	(11,914)	**346,499**	(19,548)
Current income tax expense	**698,585**	425,013	**692,319**	418,040
National Fiscal Stabilisation Levy	**49,103**	1,161	**48,298**	-
Financial Sector Recovery Levy	**48,298**	-	**48,298**	-
Deferred income tax release (Note 17)	**(443,445)**	(438,088)	**(442,416)**	(437,588)
	352,541	(11,914)	**346,499**	(19,548)

The tax on the Group's and the Bank's profit/(loss) before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	Group		Bank	
	2023	2022	**2023**	2022
Profit/(loss) before tax	**985,240**	(27,218)	**965,978**	(53,093)
Corporate tax rate at 25% (2020: 25%).				
Tax using the bank's domestic tax rate (25%)	**246,310**	(6,805)	**241,495**	(13,273)
Tax exempt income	**(589,982)**	(444,052)	**(583,068)**	(437,588)
Non-deductible expenses	**598,812**	437,782	**591,476**	431,313
National Fiscal Stabilisation Levy	**49,103**	1,161	**48,298**	-
Financial Sector Recovery Levy	**48,298**	-	**48,298**	-
Income tax expense	**352,541**	(11,914)	**346,499**	(19,548)
Effective tax rates	**36%**	(44%)	**36%**	(37%)

The movement on corporate tax payable is as follows:

Year ended 31 December 2022 **Group**	**At** **1 January**	**Tax** **charge**	**Payment**	**At 31** **December**
Up to 2022	45,431	-	-	45,431
2023	-	698,585	(553,175)	145,410
	45,431	**698,428**	**(553,175)**	**190,841**
National Fiscal Stabilization Levy				
Up to 2022	(66,719)	-	-	(66,719)
2023	-	49,103	(62,797)	(13,694)
	(66,719)	**49,260**	**(62,797)**	**(80,413)**
Financial Sector Recovery Levy				
Up to 2022	(63,968)	-		(63,968)
2023	-	48,298	(61,835)	(13,537)
	(63,968)	**48,298**	**(61,835)**	**(77,505)**
	(85,256)	**795,986**	**(677,807)**	**32,923**
Bank				
Up to 2022	49,824	-	-	49,824
2023	-	692,322	(547,861)	144,461
	49,824	**692,322**	**(547,861)**	**194,285**
National Fiscal Stabilization Levy				
Up to 2022	(65,939)	-	-	(65,939)
2023 -	-	48,298	(61,835)	(13,537)
	(65,939)	**48,298**	**(61,835)**	**(79,476)**
Financial Sector Recovery Levy				
Up to 2022	(63,968)	-		(63,968)
2023	-	48,298	(61,835)	(13,537)
	(63,968)	**48,298**	**(61,835)**	**(77,505)**
	(80,083)	**788,918**	**(671,531)**	**37,304**

Notes (All amounts are expressed in thousands of Ghana cedis)

Year ended 31 December 2022 Group	At 1 January	Tax charge	Payment	At 31 December
Up to 2021	(3,010)	-	-	(3,010)
2022	-	425,013	(376,572)	48,441
	(3,010)	425,013	(376,572)	45,431
National Fiscal Stabilization Levy				
Up to 2021	(719)	-	-	(719)
2022	-	1,161	(67,161)	(66,000)
	(719)	1,161	(67,161)	(66,719)
Financial Sector Recovery Levy				
2022	8	-	(63,976)	(63,968)
	(3,721)	426,174	(507,709)	(85,256)
Bank				
Up to 2021	774	-	-	774
2022	-	418,040	(368,990)	49,050
	774	418,040	(368,990)	49,824
National Fiscal Stabilization Levy				
Up to 2021	(173)	-	-	(173)
2022	-	-	(65,766)	(65,766)
	(173)	-	(65,766)	(65,939)
Financial Sector Recovery Levy				
2022	8	-	(63,976)	(63,968)
	609	418,040	(498,732)	(80,083)

Under the National Fiscal Stabilization Levy Act, 2009 (Act 185) and Financial Sector Recovery Levy Act, 2021 (Act 1067) a 5% levy is charged on profit before tax. The levies are not allowable for tax deduction.

17. Deferred tax

Year ended 31 December 2022	At 31 January	Group Movement during the year	At 31 December	At 1 January	Group Movement during the year	At 31 December
Recognised in OCI						
Revaluation of properties	247,241	-	**247,241**	247,241	-	**247,241**
FV gains on FVOCI investment securities	(115,804)	111,761	**(4,043)**	(115,804)	111,761	**(4,043)**
Employee benefit obligation	2,160	-	**2,160**	2,160	-	**2,160**
	133,597	**111,761**	**245,358**	**133,597**	**111,761**	**245,358**
Recognised in profit or loss						
Accelerated tax depreciation	22,750	(4,485)	18,265	23,715	(4,603)	**19,112**
Provision for loan impairment	(273,376)	(135,959)	(409,335)	(270,818)	(134,582)	**(405,400)**
Other provisions	(303,814)	(303,001)	(606,815)	(303,334)	(303,231)	**(606,565)**
	(554,440)	**(443,445)**	**(997,885)**	**(550,437)**	**(442,416)**	**(992,853)**
Net deferred tax assets	**(420,843)**	**(331,684)**	**(752,527)**	**(416,840)**	**(330,655)**	**(747,495)**

Year ended 31 December 2022						
Recognised in OCI						
Revaluation of properties	69,377	177,864	247,241	69,377	177,864	247,241
FV gains on FVOCI investment securities	(12,594)	(103,210)	(115,804)	(12,594)	(103,210)	(115,804)
Employee benefit obligation	-	2,160	2,160	-	2,160	2,160
	56,783	76,814	133,597	56,783	76,814	133,597
Recognised in profit or loss						
Accelerated tax depreciation	25,761	(3,011)	22,750	26,726	(3,011)	23,715
Provision for loan impairment	(128,524)	(144,852)	(273,376)	(126,540)	(144,278)	(270,818)
Other provisions	(13,589)	(290,225)	(303,814)	(13,035)	(290,299)	(303,334)
	(116,352)	(438,088)	(554,440)	(112,849)	(437,588)	(550,437)
Net deferred tax assets	(59,569)	(361,274)	(420,843)	(56,066)	(360,774)	(416,840)

Notes (All amounts are expressed in thousands of Ghana cedis)

18. Cash and cash equivalents

	Group 2023 GH¢'000	Group 2022 GH¢'000	Bank 2023 GH¢'000	Bank 2022 GH¢'000
Cash on hand	**902,080**	730,573	894,930	725,299
Unrestricted balances with banks	**6,411,342**	2,747,003	6,416,979	2,732,698
Restricted balances with the Central Bank	**2,564,212**	2,780,624	2,564,212	2,769,003
Money market placements	**1,379,130**	140,082	1,379,130	216,617
	11,256,764	6,398,282	11,255,251	6,443,617

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following with less than three months maturity:

	Group 2023	Group 2022	Bank 2023	Bank 2022
Cash on hand	**902,080**	730,573	**894,930**	725,299
Unrestricted balances with banks	**6,411,342**	2,747,003	**6,416,979**	2,732,697
Money market placements	**1,379,130**	140,082	**1,379,130**	216,617
Investment securities maturing within 91 days of acquisition	**679,298**	31,095	**638,195**	31,095
Cash and cash equivalents	**9,371,850**	3,648,753	**9,329,234**	3,705,708

19. Loans and advances to customers

	Group 2023	Group 2022	Bank 2023	Bank 2022
Overdrafts	**1,606,427**	1,723,314	**1,606,064**	1,723,003
Staff loans	**125,606**	158,872	**122,316**	156,305
Finance leases	**1,515**	4,278	**1,515**	4,278
Mortgage loans	**143,904**	165,399	**143,904**	165,399
Term loans	**8,721,880**	7,403,747	**8,636,218**	7,330,367
Gross loans and advances to customers	**10,599,322**	9,455,610	**10,510,017**	9,379,352
Allowances for impairment	**(1,081,623)**	(589,568)	**(1,065,886)**	(577,113)
Net loans and advances to customers	**9,517,709**	8,866,042	**9,444,131**	8,802,239
The movement on impairment allowance on loans and advances is as follows:				
At 1 January	**589,568**	531,273	**577,113**	521,446
Amounts written off as uncollectible	**(109,805)**	-	**(109,805)**	-
Change in impairment	**601,860**	58,295	**598,578**	55,667
At 31 December	**1,081,623**	589,568	**1,065,886**	577,113

	Group		Bank	
	2023	2022	2023	2022
Analysis of gross loans by industry				
Construction	**826,143**	330,620	**826,143**	317,460
Agriculture, forestry and fishing	**258,298**	376,486	**256,792**	376,486
Mining and quarrying	**619,755**	1,039	**619,755**	1,039
Manufacturing	**1,804,333**	779,480	**1,788,743**	776,027
Electricity, gas and water	**1,407,104**	1,030,110	**1,407,104**	1,030,110
Commerce and finance	**1,170,117**	1,933,000	**1,134,486**	1,933,000
Transport, storage and communication	**133,192**	568,029	**130,298**	532,748
Services	**4,380,390**	4,436,846	**4,346,696**	4,412,482
	10,599,332	9,455,610	**10,510,017**	9,379,352
Loan loss provision ratio (BOG)	**11.36%**	9.15%	**11.32%**	9.19%
Loan loss provision ratio (IFRS)	**10.20%**	6.24%	**10.14%**	6.15%
Composition of 50 largest exposures to gross loans	**51.09%**	68.43%	**51.41%**	68.98%

20. INVESTMENT SECURITIES

	Group		Bank	
	2023	2022	2023	2022
(a) Non-pledged trading assets				
Government securities	**208,699**	1,112,359	**208,699**	1,112,359
Equity securities	**4,317**	4,317	**4,317**	4,317
	213,016	1,116,676	**213,016**	1,116,676
(b) Non-trading assets				
Government securities	**9,816,651**	6,343,242	**9,775,154**	6,217,705
Pledged assets	-	399,833	-	399,833
	9,816,651	6,743,075	**9,775,154**	6,617,538
(c)Details of government securities and pledged assets				
At 1 January	**7,855,434**	7,985,436	**7,729,897**	7,768,438
Additions	**12,602,569**	26,045,378	**12,542,564**	26,037,475
Redeemed on maturity	**(8,063,412)**	(24,116,147)	**(7,919,367)**	(24,021,352)
Changes in fair value	**(474,289)**	(423,926)	**(474,289)**	(423,926)
Expected credit loss allowance	**(1,894,952)**	(1,635,307)	**(1,894,952)**	(1,630,738)
At 31 December	**10,025,350**	7,855,434	**9,983,853**	7,729,897

Notes (All amounts are expressed in thousands of Ghana cedis)

	Group 2023	Group 2022	Bank 2023	Bank 2022
(d) Classification of details of government securities and pledged assets				
Government securities – Non-pledged trading assets				
Hold to sell (FVPL)	**208,699**	1,112,359	**208,699**	1,112,359
Government securities – Non-trading assets				
Hold to collect (Amortised cost)	**10,071,005**	6,519,436	**10,029,508**	6,389,330
Hold to collect and sell (FVOCI)	**1,640,598**	1,854,678	**1,640,598**	1,854,678
	11,711,603	8,374,114	**11,670,106**	8,244,008
Allowance for impairment	**(1,894,952)**	(1,631,039)	**(1,894,952)**	(1,626,470)
	9,816,651	6,743,075	**9,775,154**	6,617,538
	10,025,350	7,855,434	**9,983,853**	7,729,897
(e) Equity securities				
At 1 January	**4,317**	8,585	**4,317**	8,585
Allowance for impairment	**-**	(4,268)	**-**	(4,268)
At 31 December	**4,317**	4,317	**4,317**	4,317
Investments in unlisted equity securities are non-current.				
(f) Impairment allowance on investment securities				
At 1 January	**1,635,307**	9,009	**1,630,738**	9,009
Derecognised on exchange of investments	**(966,155)**	-	**(966,155)**	-
Impairment charge for the year	**1,225,800**	1,626,298	**1,230,369**	1,621,729
At 31 December	**1,894,952**	1,635,307	**1,894,952**	1,630,738

In 2023 the Bank successfully exchanged GHS 5.3 billion Government of Ghana Cedi bonds, GHS13.3 million COCOBOD bonds and GHS686.1 million equivalent of Government of Ghana USD bonds for a series of new bonds with maturity dates commencing from 2027-2038, 2024-2028 and 2027-2028 respectively, through the Ghana Domestic Debt Exchange Programme. A modification loss of GHS937.8 million was recognised as a result of the exchange of bonds.

	Gross carrying amount GH¢'000	Impairment GH¢'000	Suspended Interest GH¢'000	Modification Loss GH¢'000	Carrying amount GH¢'000
BOG Bills	575,539	-	-	-	575,539
Treasury Bills	1,120,139	-	-	-	1,120,139
Cedi DDEP Bonds	5,286,708	-	-	(862,528)	4,424,180
Local USD DDEP Bonds	698,044	-	-	(74,535)	623,509
EUR Bonds (GOG)	4,927,710	(1,894,952)	(394,509)	-	2,638,249
Cocoa DDEP Bonds	13,676	-	-	(699)	12,977
Cocoa Bonds	13,868	-	-	-	13,868
Other Euro Bond(not Ghana)	575,392	-	-	-	575,392
Equity Securities*	4,317	-	-	-	4,317
Total	**13,215,393**	**(1,894,952)**	**(394,509)**	**(937,762)**	**9,988,170**

21. OTHER ASSETS

	Group		Bank	
	2023	**2022**	**2023**	**2022**
Financial assets	**670,065**	920,115	**640,508**	918,444
Non-financial assets	**79,032**	13,482	**77,299**	6,043
	749,097	933,597	**717,807**	924,487
Financial assets				
Fees receivable	**88,621**	156,295	**63,573**	154,313
Due from affiliates	**74,180**	87,583	**74,180**	87,893
Sundry receivables	**526,688**	724,975	**522,179**	724,976
	689,489	968,853	**659,932**	967,182
Allowance for impairment	**(19,424)**	(48,738)	**(19,424)**	(48,738)
	670,065	920,115	**640,508**	918,444
Non-financial assets				
Prepayments	**79,032**	13,482	**77,299**	6,043

The movement in impairment allowance on other financial assets is as follows:

	Group		Bank	
	2023	**2022**	**2023**	**2022**
At 1 January	**48,738**	17,802	**48,738**	17,802
Amounts written off	**(13,587)**	-	**(13,587)**	-
Change in impairment	**(15,727)**	30,936	**(15,727)**	30,936
At 31 December	**19,424**	48,738	**19,424**	48,738

Notes (All amounts are expressed in thousands of Ghana cedis)

22. EMPLOYEE BENEFIT OBLIGATION

The Group has defined benefit plan of death scheme, post-employment medical benefit scheme and gratuity scheme.

Gratuity scheme

The Bank pays one and a half month's salary for each year of service, the total of which shall not exceed 24 months gross salary and relocation allowance to staff who have served for minimum of 15 years who retire at the statutory retirement age or employees who retire early at the age of 50 years and above.

Death scheme

The Bank makes payment in respect of post-mortem, mortuary, transportation of corpse, coffin, and cash donation to the spouse and family of the deceased in the event of death of a serving employee.

Post-employment medical benefit

The Bank provides medical benefit for former staff members who have served for a minimum of 15 years and their dependants below the age of 21 years who have exited from Ecobank Ghana. The medical benefit is for a period of one year after leaving the Bank.

	2023	2022
The change in liability		
At 1 January	**69,761**	56,347
Service cost	**44,481**	3,083
Interest cost on plan liabilities	**13,952**	13,463
Total amount recognised in profit or loss	**58,433**	16,546
Actuarial gain (recognised in other comprehensive income)	-	5,164
Benefits paid	**(30,529)**	(8,296)
Net defined benefit liability as at 31 December	**97,665**	69,761
The major assumption used by the actuaries are as follows:		
Discount rate	**20.0%**	20.0%
Inflation rate	**10.0%**	10.0%
Medical inflation rate	**12.0%**	12.0%
Mortality loading rate	**10.0%**	10.0%
Salary increment rate	**9.0%**	9.0%

Sensitivity analysis

The valuation results are dependent on the following key assumptions, namely:

Discount rate: This represents the interest rate used to discount the cash flows. The lower the discount rate the higher the liability;

Rate of salary increases: This represents the rate of increases in the annual salaries. The higher the rate of salary increase, the higher the liability;

Medical inflation rate. This represents the rate at which medical cost increases per year. The higher the medical inflation rate, the higher the liability.

Sensitivity analysis

The sensitivity of the estimated defined benefits liability has been carried out based on the key assumptions that affect the liability under the scheme to determine the effect of these assumptions not being realised. The following sensitivities were tested on the final basis used for this valuation:

- Decreasing discount rate by 2% (to 18%)
- Increasing discount rate by 2% (to 22%)
- Decreasing the rate of salary increase by 2% (to 7%)
- Increasing the rate of salary increase by 2% (to 11%)
- Decreasing the medical inflation by 2% (to 10.0%)
- Increasing the medical inflation by 2% (to 14.0%)
- Increase the mortality loading by 10% (to 20.0%).

31 December 2022 and 2023	Death benefit		Gratuity benefit		Post employment medical benefit		Long service benefit	
	Actuarial liability GHS'000	Percentage change	Actuarial liability GHS'000	% change	Actuarial liability GHS'000	Percentage change	Actuarial liability GHS'000	Percentage change
Base case	**148**	-	**62,342**	-	**108**	-	**7,161**	-
Investment return	**165**	**11.50%**	**70,966**	**13.80%**	**123**	**18.30%**	**7,762**	**8.40%**
	134	**(9.50%)**	**55,364**	**(11.20%)**	**93**	**(14.20%)**	**6,641**	**(7.30%)**
Salary scale	**148**	-	**55,147**	**(11.50%)**	**108**	-	**6,649**	**(7.10%)**
	148	-	**71,063**	**14.00%**	**108**	-	**7,737**	**8.00%**
Medical inflation	**148**	-	**62,342**	-	**90**	**(16.80%)**	**7,161**	-
	148	-	**62,342**	-	**132**	**21.50%**	**7,161**	-
Mortality loading	**132**	**(10.90%)**	**62,579**	**0.40%**	**109**	**0.80%**	**7,171**	**0.10%**

Notes (All amounts are expressed in thousands of Ghana cedis)

23. INVESTMENT IN SUBSIDIARIES

	Ordinary shares %	Bank 2023	Bank 2022
Ecobank Investment Managers Limited	100	**11,350**	11,250
Ecobank Leasing Company Limited	100	**-**	1,000
Ecobank Venture Capital Fund 1 Company Limited	100	**-**	16,421
Pan African Savings and Loans Company Limited	95.02	**11,212**	11,212
		22,562	39,883

The subsidiaries are incorporated and domiciled in Ghana.

24. NON-CURRENT ASSETS HELD FOR SALE

	Group 2023	Group 2022	Bank 2023	Bank 2022
At 1 January	**19,952**	32,670	**19,952**	32,670
Transfer to property and equipment	**-**	(4,343)	**-**	(4,343)
Write-offs	**-**	(8,375)	**-**	(8,375)
Disposals	**(1,952)**	-	**(1,952)**	-
At 31 December	**18,000**	19,952	**18,000**	19,952

In January 2015, the Bank took over the building of Continental Commodities Trading Company Limited located at Apowa Industrial Area in Takoradi as result of the company's inability to service its loan. The Bank is currently looking for a buyer for this property and has obtained approval from Bank of Ghana to sell the asset.

25. LEASES

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

	Group 2023	2022	Bank 2023	2022
Right-of-use assets				
At 1 January	**133,802**	117,590	**107,704**	95,014
Additions	**-**	9,802	**-**	4,730
Remeasurements	**49,060**	9,917	**46,082**	11,467
Derecognition	**(134)**	(3,507)	**(1)**	(3,507)
At 31 December	**182,728**	133,802	**153,785**	107,704
Depreciation				
At 1 January	**85,484**	64,281	**69,034**	49,484
Depreciation charge	**24,884**	23,317	**22,279**	21,664
Derecognition	**-**	(2,114)	**-**	(2,114)
At 31 December	**110,368**	85,484	**91,313**	69,034
Net book amount	**72,360**	48,318	**62,472**	38,670
Lease liabilities				
At 1 January	**65,155**	57,204	**58,593**	51,711
Additions	**-**	9,802	**-**	4,730
Remeasurements	**49,363**	10,356	**46,082**	11,467
Finance costs	**6,846**	7,950	**5,610**	7,526
Unrealised exchange loss	**967**	8,843	**967**	8,843
Derecognitions	**(327)**	(2,679)	**(197)**	(2,679)
Payments	**(60,544)**	(26,321)	**(56,837)**	(23,005)
At 31 December	**61,460**	65,155	**54,218**	58,593
Of which are:				
Current	**7,381**	16,289	**5,478**	14,648
Non-current	**54,080**	48,866	**48,740**	43,945
	61,460	65,155	**54,218**	58,593

Notes (All amounts are expressed in thousands of Ghana cedis)

26. INTANGIBLE ASSETS

Group **Year ended 31 December 2023**	**Software**	**Capital work in progress**	**Total**
Cost			
At 1 January	101,434	-	**101,434**
Additions	3,034	-	**3,034**
At 31 December	**104,468**	-	**104,468**
Accumulated amortisation			
At 1 January	80,739	-	80,739
Amortisation expense	17,586	-	17,586
At 31 December 2023	**98,325**	**-**	**98,325**
Net book amount	**6,143**	-	**6,143**
Year ended 31 December 2022			
Cost			
At 1 January	98,685	-	98,685
Additions	2,749	-	2,749
At 31 December	101,434	-	101,434
Accumulated amortisation			
At 1 January 57,479	57,479	-	57,479
Amortisation expense	23,260	-	23,260
At 31 December	80,739	-	80,739
Net book amount	20,695	-	20,695

Bank		**Capital**	
Year ended 31 December 2023	**Software**	**work in progress**	**Total**
Cost			
At 1 January	100,907		**100,907**
Addition	2,811		**2,811**
At 31 December	**103,718**	**-**	**103,718**
Accumulated amortisation			
At 1 January	80,217	-	**80,217**
Amortisation expense	17,513	-	**17,513**
At 31 December	**97,730**	-	**97,730**
Net book amount	**5,988**	-	**5,988**
Year ended 31 December 2022			
Cost			
At 1 January	98,158	-	98,158
Transfers	2,749	-	2,749
At 31 December	100,907	-	100,907
Accumulated amortisation			
At 1 January	57,015	-	57,015
Amortisation expense	23,202	-	23,202
At 31 December	80,217	-	80,217
Net book amount	20,690	-	20,690

Notes (All amounts are expressed in thousands of Ghana cedis)

27. PROPERTY AND EQUIPMENT

Group	Land & buildings	Furniture & equipment	Computers	Motor vehicles	Work in progress	Total
Year ended 31 December 2023						
Cost						
At 1 January	1,204,552	94,281	62,911	23,601	5,097	**1,390,442**
Additions	-	29,943	11,128	2,887	4,819	**48,777**
Transfers to intangibles	-	-	-	-	(2,338)	**(2,338)**
Transfers	-	2,748	-	-	(2,748)	**-**
Disposals	-	-	(154)	(3,934)	-	**(4,088)**
At 31 December	**1,204,552**	**126,972**	**73,885**	**22,554**	**4,830**	**1,432,793**
Accumulated depreciation						
At 1 January	-	62,213	57,824	15,116	-	**135,153**
Charge for the year	22,242	10,173	3,693	4,599	-	**40,707**
Released on disposals	-	-	(154)	(3,310)	-	**(3,464)**
At 31 December	**22,242**	**72,386**	**61,363**	**16,405**	**-**	**172,396**
Net book amount	**1,182,310**	**54,586**	**12,522**	**6,149**	**4,830**	**1,260,397**
Year ended 31 December 2022						
Cost						
At 1 January	542,008	74,748	60,610	23,866	1,348	702,580
Additions	-	19,892	2,479	1,797	11,563	35,731
Transfers	7,814	-	-	-	(7,814)	-
Disposals	-	(359)	(178)	(2,062)	-	(2,599)
Revaluation	654,730	-	-	-	-	654,730
At 31 December	1,204,552	94,281	62,911	23,601	5,097	1,390,442
Accumulated depreciation						
At 1 January	10,010	53,760	53,306	12,813	-	129,889
Charge for the year	10,130	8,812	4,696	4,365	-	28,003
Released on disposals	-	(359)	(178)	(2,062)	-	(2,599)
Released on revaluation	(20,140)	-	-	-	-	(20,140)
At 31 December	-	62,213	57,824	15,116	-	135,153
Net book amount	1,204,552	32,068	5,087	8,485	5,097	1,255,289

Bank	Land & buildings	Furniture & equipment	Computers	Motor vehicles	Work in progress	Total
Year ended 31 December 2023						
Cost						
At 1 January	1,204,552	89,027	57,209	22,135	5,097	**1,378,020**
Additions	-	29,515	10,711	2,872	4,819	**47,917**
Transfers to intangibles	-	-	-	-	(2,338)	**(2,338)**
Transfers	-	2,748	-	-	(2,748)	**-**
Disposals	-	-	(98)	(3,934)	-	**(4,032)**
At 31 December	**1,204,552**	**121,290**	**67,822**	**21,073**	**4,830**	**1,419,567**
Accumulated depreciation						
At 1 January	-	57,850	53,030	13,730	-	**124,610**
Charge for the year	22,242	9,815	2,991	4,557	-	**39,605**
Disposals	-	-	(98)	(3,310)	-	**(3,408)**
At 31 December	22,242	67,665	55,923	14,977	-	**160,807**
Net book amount	**1,182,310**	**53,625**	**11,899**	**6,096**	**4,830**	**1,258,760**
Year ended 31 December 2022						
Cost						
At 1 January	542,008	69,477	55,628	22,477	1,348	690,938
Additions	-	19,562	1,759	1,720	11,563	34,604
Transfers	7,814	-	-	-	(7,814)	-
Disposals	-	(12)	(178)	(2,062)		(2,252)
Released on revaluation	654,730	-	-	-	-	654,730
At 31 December	1,204,552	89,027	57,209	22,135	5,097	1,378,020
Accumulated depreciation						
At 1 January	10,010	49,430	49,145	11,465	-	120,050
Charge for the year	10,130	8,432	4,063	4,327	-	26,952
Disposals	-	(12)	(178)	(2062)	-	(2,252)
Released on revaluation	(20,140)	-	-	-	-	(20,140)
At 31 December	-	57,850	53,030	13,730	-	124,610
Net book amount	1,204,552	31,177	4,179	8,405	5,097	1,253,410

Notes (All amounts are expressed in thousands of Ghana cedis)

Land and building as at 31 December 2023 comprises land of GH¢314,871,099 and buildings of GH¢889,680,764 for the Group and Bank respectively (2022: GH¢314,871,099 and GH¢889,087,640).

(a)Cost component of revalued property

If land and buildings were stated on the historical cost basis, the amounts would be as follows:

	Group		Bank	
	2023	**2022**	**2023**	**2022**
Cost	**86,661**	86,661	**86,661**	86,661
Accumulated depreciation	**(26,930)**	(24,763)	**(26,930)**	(24,763)
Net book amount	**59,731**	61,898	**59,731**	61,898

(b) Disposal of property and equipment

	Group 2023	Group 2022	Bank 2023	Bank 2022
Gross value	**4,088**	2,599	**4,032**	2,252
Accumulated depreciation	**(3,464)**	(2,599)	(3,408)	(2,252)
Net book amount	**624**	-	**624**	-
Sales proceeds	**1,216**	697	**1,209**	697
Gain on disposal of property and equipment	**592**	697	**585**	697

28. DEPOSITS FROM BANKS

	Group 2023	Group 2022	Bank 2023	Bank 2022
Money market deposits from local banks and financial institutions	**1,411,158**	1,106,529	**2,063,245**	1,898,659
Money market deposits from foreign banks	**947,071**	736,477	**947,071**	736,477
	2,358,229	1,843,006	**3,010,316**	2,635,136

All deposits from banks are current.

29. DEPOSITS FROM CUSTOMERS

	Group		Bank	
	2023	**2022**	**2023**	**2022**
Current accounts	**19,634,102**	14,041,017	**19,645,877**	14,059,224
Savings account	**3,864,168**	2,831,360	**3,765,314**	2,752,822
Time deposit	**1,947,548**	2,578,752	**1,337,954**	1,805,640
Cash collateral	**892,972**	972,732	**892,972**	972,732
	26,338,790	20,423,861	**25,642,117**	19,590,418
Of which are:				
Current	**20,527,074**	15,013,749	**20,538,849**	15,031,956
Non-current	**5,811,716**	5,410,112	**5,103,268**	4,558,462
	26,338,790	20,423,861	**25,642,117**	19,590,418
Composition of 20 largest depositors	**22.89%**	21.04%	**23.13%**	21.93%

30. BORROWINGS

2023 – Group and Bank

	At 1 January	Additions	Interest	Repayment	Exchange differences	At 31 December
Development Bank of Ghana	-	149,000	15,049	(14,821)	-	**149,228**
European Investment Bank	9,972	-	70	(10,042)	-	**-**
	9,972	**149,000**	**15,119**	**(24,863)**	**-**	**149,228**
Of which are :	-	-	-	-	-	-
Current	-	-	-	-	-	**45,757**
Non-current	-	-	-	-	-	**103,471**
	-	**-**	**-**	**-**	**-**	**149,228**

2022 – Group and Bank

	At 1 January	Additions	Interest	Repayment	Exchange differences	At 31 December
European Investment Bank	25,537	-	1,577	(28,290)	11,148	9,972
Of which are :						
Current	-	-	-	-	-	9,972
Non-current	-	-	-	-	-	-
						9,972

In 2023 the Bank drew down on a facility from Development Bank of Ghana Ltd which to be applied exclusively towards financing MSMEs and small corporates in the form of capital investment loans and working capital loans. The drawn facilities of GH¢4 million, GH¢55 million and GH¢90 million are at fixed interest rates and expire in 2024, 2029 and 2030 respectively.

Notes (All amounts are expressed in thousands of Ghana cedis)

31. OTHER LIABILITIES

	Group		Bank	
	2023	**2022**	**2023**	**2022**
Bankers drafts and managers cheques	**17,489**	16,433	**17,489**	16,433
Point of sale terminals	**2,010**	2,543	**2,010**	2,543
Accruals	**307,672**	332,343	**188,755**	330,118
Net defined benefits liability	**97,665**	69,761	**97,665**	69,761
Payables and sundry liabilities	**432,475**	278,027	**515,198**	239,354
Provisions	**202,655**	161,129	**202,655**	161,129
	1,059,966	860,236	**1,023,772**	819,338
Provisions comprise:				
Legal proceedings	**150,776**	150,776	**150,776**	150,776
Impairment allowance on off-balance sheet contracts	**15,156**	6,141	**15,156**	6,141
Other provision	**36,723**	4,212	**36,723**	4,212
	202,655	161,129	**202,655**	161,129

The movement in dividend payable is as follows:

At 1 January	-	-	-	-
Interim dividend declared	-	199,982	-	199,982
Dividend paid	-	(199,982)	-	(199,982)
At 31 December	-	-	-	-

32. STATED CAPITAL

	No. of shares		Proceeds	
	2023	2022	**2023**	2022
Bank				
Authorised:				
Ordinary shares of no-par value	**500,000,000**	500,000,000	-	-
Issued and fully paid				
Ordinary shares of no-par value	**322,551,209**	322,551,209	**416,641**	416,641

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

33. RETAINED EARNINGS

The amount in retained earnings represents profits retained after appropriations. The balance is available for distribution to shareholders.

34. STATUTORY RESERVE

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

35. CREDIT RISK RESERVE

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

Impairment	Bank			Group		
GHS'000	IFRS 9	BoG	Credit Risk Reserve	IFRS 9	BoG	Credit Risk Reserve
Opening Balance 2022	577,113	625,236	48,123	589,568	637,691	48,123
Movement	488,773	564,941	76,169	492,057	568,226	76,169
Closing Balance 2023	1,065,886	1,190,177	124,292	1,081,625	1,205,917	124,292

36. OTHER RESERVES

The following table shows a breakdown of 'other reserves' and the movements in these reserves during the year.

Group and Bank	**Revaluation surplus**	**Financial other at FVOCI**	**Post employment benefit obligation**	**Total reserves**
At 1 January 2023	735,252	(339,203)	3,036	**399,085**
Revaluation loss (gross)	-	435,335	-	**435,335**
Deferred income tax release	-	(111,761)	-	(111,761)
At 31 December 2023	**735,252**	**(15,629)**	**3,036**	**722,659**
Group and Bank				
At 1 January 2022	238,246	(83,379)	6,479	161,346
Revaluation gain (gross)	674,870	(355,153)	(5,164)	314,553
Deferred income tax charge	(177,864)	99,329	1,721	(76,814)
At 31 December 2022	735,252	(339,203)	3,036	399,085

Notes (All amounts are expressed in thousands of Ghana cedis)

37. NON-CONTROLLING INTEREST

Non-controlling interest is attributable to 4.98% stake in Pan African Savings and Loans Company Limited which is held by other shareholders.

Summarised statement of financial position	2023	2022
Assets		
Cash and bank balances	**20,051**	53,903
Loans and advances to customers	**73,578**	63,804
Other current assets	**65,476**	8,546
Other non-current assets	**16,711**	15,170
Total assets	**175,816**	141,423
Liabilities		
Deposits from customers	**145,960**	116,411
Other current liabilities	**10,959**	8,525
Total liabilities	**156,919**	124,936
Net assets	**18,897**	16,487
Accumulated non-controlling interest	**706**	607
Summarised statement of comprehensive income		
Revenue	**60,653**	43,382
Profit after tax	**1,984**	370
Other comprehensive income	-	-
Total comprehensive income	**1,984**	370
Profit allocated to non-controlling interest	**99**	18
Summarised statement of cash flows		
Net cash generated from operating activities	**6,372**	12,815
Net cash used in investing activities	**(35,435)**	(1,127)
Net cash used in financing activities	**(4,789)**	(3,317)
(Decrease)/increase in cash and cash equivalents	**(33,852)**	8,371
Cash and cash equivalents at start of year	**53,903**	45,532
Cash and cash equivalents at end of year	**20,051**	53,903

38. CASH GENERATED FROM OPERATIONS

	Group		Bank	
	2023	2021	**2023**	2021
	GH¢'000	GH¢'000	**GH¢'000**	GH¢'000
Profit/(loss) before tax	**985,240**	(27,218)	**965,978**	(53,093)
Depreciation of right-of-use assets (Note 25)	**24,884**	23,317	**22,279**	21,664
Amortisation of intangible assets (Note 26)	**17,586**	23,260	**17,513**	23,202
Depreciation of property and equipment (Note 27)	**40,707**	28,003	**39,605**	26,952
Impairment – other assets (Note 21)	**(15,727)**	30,936	**(15,727)**	30,936
Impairment – investment in debt and equity instrument (Note 20)	**1,225,800**	1,626,298	**1,230,369**	1,621,729
Impairment – loans and advances (Note 19)	**601,862**	58,295	**598,578**	55,667
Impairment – contingent liabilities (Note 12)	**9,015**	(10,403)	**9,015**	(10,403)
Unrealised exchange loss on leases (Note 25)	**967**	8,843	**967**	8,843
Unrealised exchange loss on borrowings (Note 30)	**-**	11,148	**-**	11,148
Unrealised exchange gain on cash and cash equivalents	**(703,863)**	(290,465)	**(703,863)**	(292,211)
Non-current assets written-off	**-**	8,375	**-**	8,375
Gain on disposal of property and equipment	**(592)**	(697)	**(585)**	(697)
Interest expense on borrowing	**15,119**	1,577	**15,119**	1,577
Remeasurement of leases	**304**	(847)	**-**	(1,286)
Derecognition of right-of-use-assets	**134**	-	**-**	-
Derecognition of leases	**(327)**	-	**(197)**	-
Interest expense on leases	**6,846**	7,950	**5,610**	7,526
Changes in operating assets and liabilities				
Loans and advances	**(1,253,527)**	(3,230,583)	**(1,240,470)**	(3,223,045)
Other assets	**232,071**	(175,910)	**222,407**	(167,380)
Other liabilities	**158,871**	238,453	**195,420**	238,448
Deposits from banks	**515,223**	544,195	**375,180**	981,548
Deposits from customers	**5,914,929**	7,195,412	**6,051,699**	6,712,893
Mandatory reserves	**216,412**	(1,682,854)	**204,791**	(1,680,202)
Cash generated from operations	**7,991,932**	**4,387,085**	**7,993,688**	**4,322,191**

Notes (All amounts are expressed in thousands of Ghana cedis)

39. CONTINGENT LIABILITIES AND COMMITMENTS

Legal proceedings

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

Capital commitments

At the reporting date, the Group and the Bank had no capital commitments (2022: Nil) in respect of authorised and contracted projects.

Off balance sheet items

The Group's and Bank's commitments to extend credit have determinable drawdown periods and contractual maturities. The contractual amounts of the Group's and Bank's off-balance sheet financial instruments that commit it to extend credit to customers, guarantees and other facilities which are reimbursable to the Group and Bank based on agreed terms are as follows:

	Group		**Bank**	
	2023	2022	**2023**	2022
Off-balance sheet exposure				
Letters of guarantee	**1,062,438**	636,407	**1,062,438**	636,407
Letters of credit	**983,260**	1,333,529	**983,620**	1,333,529
Loan commitments	**495,827**	735,951	**495,827**	735,951
Gross off balance sheet exposure	**2,541,885**	2,705,887	**2,541,885**	2,705,887
Expected credit loss provision				
Provision for letters of guarantee	**(13,002)**	(5,547)	**(13,002)**	(5,547)
Provision for expected letters of credit	**(663)**	(463)	**(663)**	(463)
Provision for loan commitments	**(1,491)**	(131)	**(1,491)**	(131)
	(15,156)	(6,141)	**(15,156)**	(6,141)

The movement on impairment allowance on off-balance

sheet items are as follows:

	Group		**Bank**	
	2023	2022	**2023**	2022
At 1 January	**6,141**	16,544	**6,141**	16,544
Change in impairment	**9,015**	(10,403)	**9,015**	(10,403)
At 31 December	**15,156**	6,141	**15,156**	6,141

40. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has control or significant influence over the other party or is a member of its key management personnel. The key management personnel included directors (executive and non-executive), and other members of the Executive Committee. The Bank is a subsidiary of Ecobank Transnational Incorporation (ETI).

The Bank is a subsidiary of Ecobank Transnational Incorporation. Ecobank Ghana PLC is related to other companies that are subsidiaries of Ecobank Transnational Incorporation.

	2023	2022
(a) Transactions carried out with related parties		
Interest income on placements		
ETI coupon	**20,484**	-
Placements with ETI affiliates	-	1,279
Placements with subsidiaries	**2,772**	18,750
Interest on loans	**76,650**	28,512
	99,906	48,541
Interest expense on borrowings		
Borrowings from ETI	**5,567**	13,043
Borrowings from ETI affiliates	**890**	5,733
Borrowings from subsidiaries	**106,537**	81,106
	112,994	99,882
(b) Due from related parties		
ETI Bond	**213,840**	154,368
Placements with ETI affiliates	-	227,693
Placements with subsidiaries	**11,730**	77,959
Loans to ETI affiliates	**363,410**	391,125
Expenses paid on behalf of ETI affiliates	**74,052**	96,064
Executive Directors loans	**572**	837
	663,604	948,046
(c) Due to related parties		
Borrowings from ETI affiliates	**85,322**	1,543,374
Borrowings from ETI	**241,464**	257,280
Borrowings from subsidiaries	**632,732**	743,528
Expenses incurred on behalf of ETI affiliates	**166,908**	112,794
	1,126,426	2,656,976

(d) Transactions with Directors

Emoluments, pensions and other compensation of directors was GH¢3.037 million (2022:GH¢2.15 million). Remuneration paid to non-executive directors in the form of fees, allowances and other related expenses are disclosed in Note 15.

Notes (All amounts are expressed in thousands of Ghana cedis)

(e) Loans to Non-Executive Directors and key management personnel

At the reporting date, gross loan balances due from non-executive directors and key management personnel were nil and GH¢3.994 million respectively (2022: nil and GH¢5.202 million).

41.REGULATORY DISCLOSURES FOR THE BANK

(ia) Non-performing loans (IFRS)

Gross non-performing loans was GH¢2,085.63 million (2022: GH¢534.9 million) and GH¢2,085.63 (2022: GH¢512.6 million) for the Group and Bank respectively.

Non-performing loans comprised 19.68% (2022: 5.66%) and 19.84% (2022: 5.47%) for the Group and Bank respectively.

(ib) Non-performing loans (Bank of Ghana)

Gross non-performing loans was GH¢2,474.55 million (2022: GH¢936.63 million) and GH¢2,450.82 (2022: GH¢911.36 million) for the Group and Bank respectively.

Non-performing loans comprised 22.44% (2022: 9.65%) and 22.41% (2022: 9.47%) for the Group and Bank respectively.

(ii) Compliance with statutory liquidity requirement

Default in statutory liquidity – Nil (2022: Nil).

(iii) Capital adequacy ratio

The capital adequacy ratio at the end of December 2023 was calculated as stated below:

Group	13.65%	(2022: 15.03%)
Bank	13.49%	(2022:14.63%)

(iv) Liquid ratio

The key measure used by the Bank or Group for managing liquidity risk is the ratio of net liquid assets to deposits from customers. For this purpose, net liquid assets are considered as including cash and cash equivalents and investment grade debt securities for which there is an active and liquid market less any deposits from banks, debt securities issued, other borrowings and commitments maturing within the next month. The Bank's ratio of net liquid assets to deposits from customers at the reporting date was 54.97% (2022: 50.59%).

42. BUSINESS SEGMENTS

The Group's operating segments are reported in a manner consistent with internal reporting to management, which has responsibility for allocating resources and measuring performance of operating segments. The Group's operating segments offer different products and services and are managed separately based on the Group's management and internal reporting structure. The three operating segments as described below:

(a) Consumer banking

This is personal banking and specialises in serving the Premier, Advantage, Classic and Direct customers

(b) Commercial Banking

This is Business Banking and Medium Local Corporates with the following sub-segments SMEs, Medium Local corporates and Non-government public sector (schools, faith organisations, non-governmental organisations (NGOs) & professional bodies)

(c) Corporate banking

Specialises in serving the public sector, multinational institutions, financial institutions/international organisations and the Regional Corporate segment of the market.

(d) Other

This is comprised of fixed income trading, currencies and commodities and custody business.

Management monitors the operating results of these business units separately for the purposes of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss. All transactions between business segments are conducted on an arm's length basis, with intra-segment revenue and costs being eliminated on consolidation. Income and expenses directly associated with each segment are included in determining business segment performance in accordance with IFRS 8. The Chief Operating Decision Maker is the Managing Director.

Notes (All amounts are expressed in thousands of Ghana cedis)

At 31 December 2023	Consumer Banking	Commercial Banking	Corporate Banking	Other	Total
Net interest income	1,294,250	746,518	1,124,683	355,422	**3,520,873**
Net fees and commission income	238,304	125,867	168,258	(84,118)	**448,311**
Net trading income	63,839	94,778	107,048	1,034,409	**1,300,074**
Other operating income	24,729	28,512	109,454	(106,746)	**55,949**
Revenue	**1,621,122**	**995,675**	**1,509,443**	**1,198,967**	**5,325,207**
Net impairment loss on financial assets	(20,828)	(266,528)	(327,678)	(2,143,676)	**(2,758,710)**
Net operating income	**1,600,294**	**729,147**	**1,181,765**	**(944,709)**	**2,566,497**
		-			
Staff expenses	(211,030)	(185,366)	(249,491)	(20,679)	**(666,566)**
Depreciation and amortization	(31,341)	(21,164)	(32,078)	1,406	**(83,177)**
Finance cost on lease liabilities	-	-	-	(6,846)	**(6,846)**
Other operating expenses	(352,306)	(275,818)	(196,544)	-	**(824,668)**
Operating profit	**1,005,617**	**246,799**	**703,652**	**(970,828)**	**985,240**
Profit before tax	1,005,617	246,799	703,652	(970,827)	**985,240**
Tax expense				(352,541)	**(352,541)**
Profit for the year	**1,005,617**	**246,799**	**703,652**	**(1,323,369)**	**632,699**
Segment loans	**1,073,044**	**2,406,626**	**6,038,039**	**-**	**9,517,709**
Segments deposits	**12,023,032**	**5,946,194**	**8,369,564**	**-**	**26,338,790**

The Group's operations are based in Ghana. There are no separately distinguishable geographical segments.

At 31 December 2022	Consumer Banking	Commercial Banking	Corporate Banking	Other	Total
Net interest income	903,056	437,662	619,849	561,421	2,521,988
Net fee and commission income	172,221	109,960	146,781	(92,978)	335,984
Net trading income	79,170	92,904	114,834	(261,656)	25,252
Other income	43,628	24,064	18,802	(1,660)	84,834
Revenue	1,198,075	664,590	900,266	205,127	2,968,058
Net impairment loss on financial assets	(37,956)	(20,030)	(17,609)	(1,629,531)	(1,705,126)
Net operating income	1,160,119	644,560	882,657	(1,424,404)	1,262,932
Staff expenses	(173,476)	(152,469)	(186,323)	(25,650)	(537,918)
Depreciation and amortisation	(25,704)	(18,419)	(24,800)	(5,657)	(74,580)
Finance cost on lease liabilities	-	-	-	(7,950)	(7,950)
Other operating expenses	(252,844)	(195,318)	(215,328)	(6,212)	(669,702)
Profit before tax	708,095	278,354	456,206	(1,469,873)	(27,218)
Tax expense	-	-	-	11,914	11,914
Profit for the year	708,095	278,354	456,206	(1,457,959)	(15,304)
Segment loans	1,006,855	2,028,195	5,830,992	-	8,866,042
Segment Deposits	9,014,394	4,518,421	6,891,046	-	20,423,861

The Group's operations are based in Ghana. There are no separately distinguishable geographical segments.

Notes (All amounts are expressed in thousands of Ghana cedis)

43. EARNINGS PER SHARE

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

	Group		Bank	
	2023	2022	**2023**	2022
Profit/(loss) attributable to equity holders of the Bank	**632,600**	(15,322)	**619,479**	(33,545)
Weighted average number of ordinary shares	**322,551**	322,551	**322,551**	322,551
Basic earnings per share (expressed in Ghana pesewas per share)	**196**	(5)	**192**	(10)
Diluted earnings per share (expressed in Ghana pesewas per share)	**196**	(5)	**192**	(10)

There is no potential dilution on basic earnings per share.

44. DIVIDEND PER SHARE

At the forthcoming meeting of shareholders, the directors will recommend that no dividend be paid for 2023 (2022: nil).

45. CORPORATE SOCIAL RESPONSIBILITY

Ecobank recognises the role communities play in ensuring the Group remains in business. Giving back to these communities is a core objective for the Group at both the corporate and individual levels. During the year, the Group continued with its corporate social responsibility (CSR) programs with a key focus on education, health, financial inclusion and others. A total of GH¢3.379 million (2022: GH¢2.051 million) was committed to CSR activities in the year.

46. NON-COMPLIANCE WITH SECTIONS OF THE BANKS AND SPECIALISED DEPOSIT-TAKING INSTITUTIONS ACT, 2016 (ACT 930)

During the year, the Bank of Ghana imposed penalties of GH¢28.55 million for breaches in certain sections of the Banks and Specialised Deposit-Taking Act, 2016 (Act 930).

APPENDIX I

SHAREHOLDERS' INFORMATION

Number of shareholders
The Bank's shareholders are distributed as follows:

	2023		2022	
	No. of Holders	% of Shares Held	**No. of Holders**	% of Shares Held
Category				
1 - 1000	**12,131**	1.07	**12,113**	1.19
1,001 - 5,000	**1,116**	0.65	**1,100**	0.62
5,001 - 10,000	**139**	0.29	**142**	0.30
10,000 and over	**208**	97.98	**217**	97.89
Total	**13,594**	100.00	**13,572**	100.00

Directors' shareholding

The Directors named below held the following number of shares in the Bank at 31 December 2023:

	No. of shares	**% holding**
Mr. Samuel Ashitey Adjei	**45,386**	0.014
Mr. Daniel Nii Kwei Kumah Sackey	**42,777**	0.013
Dr. Edward Nartey Botchway	**2,516**	0.001
Total	**90,679**	0.028

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1.	ECOBANK TRANSNATIONAL INCORPORATED,	222,342,927	68.93
2.	SOCIAL SECURITY AND NATIONAL INSURANCE TRUST	52,280,644	16.21
3.	COMPAGNIE DE FINANCEMENT ET DE PARTICIPATIONS	7,587,168	2.35
4.	AFRICAN TIGER HOLDING LIMITED	4,847,783	1.50
5.	GHANA REINSURANCE COMPANY LTD GENERAL BUSINESS	4,291,309	1.33
6.	SCGN/JPMC RE DUET AFRICA OPPORTUNITIES MASTER FUND , IC GTI:AEX26	4,118,364	1.28
7.	TEACHERS FUND	1,990,711	0.62
8.	SCGN/CITIBANK LONDON HOLBERG RURIK VERDIPAPIRFONDET	1,274,770	0.40
9.	ZBGC/CEDAR PENSION SCHEME-ICAM	1,261,747	0.39
10.	FUND-ICAM, ZBGC/CEDAR PROVIDENT	1,247,600	0.39
11.	SCGN / ENTERPRISE LIFE ASS. CO. POLICY HOLDERS	1,189,146	0.37
12.	ZBGC/AXIS PENSION PLAN	828,886	0.26
13.	SCGN/ENTERPRISE TIER 2 OCCUPATIONAL PENSION SCHEME	802,491	0.25
14.	HFCN/ EDC GHANA BALANCED FUND LIMITED	610,739	0.19
15.	STRATEGIC INITIATIVES LIMITED,	563,566	0.17
16.	SECURE PENSIONS OCCUPATIONAL MASTER TRUST SCHEME	408,082	0.13
17.	ENTERPRISE TIER 2 OCCUPATIONAL PENSION SCHEME	407,686	0.13
18.	GES OCCUPATIONAL PENSION- IC ASSET MANAGERS	355,620	0.11
19.	SCGN/'EPACK INVESTMENT FUND LIMITED TRANSACTION E I F L	342,200	0.11
20.	HFCN/ COCOBOD TIER 3 PENSION SCHEME - ALLOCA ICAM	292,957	0.09
Others		15,506,813	4.81
Total		**322,551,209**	**100.00**

APPENDIX II

FIVE-YEAR FINANCIAL SUMMARY

Group	2023	2022	2021	2020	2019
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Income statement					
Revenue	**5,325,207**	2,968,058	2,115,181	1,848,384	1,585,687
Profit/(loss) before tax	**985,240**	(27,218)	893,732	782,240	642,496
Profit/(loss) after tax	**632,699**	(15,304)	581,897	549,888	444,849
Dividend paid	**-**	199,982	177,403	96,765	-
Statement of financial position					
Loans and advances to customers	**9,517,709**	8,866,042	5,693,754	4,977,797	5,380,308
Customer deposits	**26,338,790**	20,423,861	13,228,449	11,804,516	9,728,758
Total assets	**33,662,664**	25,908,025	17,925,529	15,950,616	13,228,797
Shareholder equity	**3,652,098**	2,705,795	2,683,342	2,447,858	1,784,310
Statistics					
Dividend per share in pesewas	**-**	-	62	55	30
Earnings per share in pesewas	**196**	(5)	180	170	141
Return on average equity (%)	**20%**	(1%)	23	26	25
Return on average asset (%)	**2.1%**	(0.1%)	3.4	3.8	3.4

APPENDIX III

VALUE ADDED STATEMENT

For the year ended 31 December 2023	Group		Bank	
	2023	2022	**2023**	2022
	GH¢'000	GH¢'000	**GH¢'000**	GH¢'000
Interest earned and other operating income	**5,269,258**	2,883,224	**5,190,335**	2,809,400
Direct cost of Services	**(831,514)**	(677,652)	**(804,771)**	(662,405)
Value added by banking services	**4,437,744**	2,205,572	**4,385,564**	2,146,995
Non-banking income	**55,949**	84,834	**56,062**	84,112
Impairments	**(2,758,710)**	(1,705,126)	**(2,759,997)**	(1,697,929)
Value added	**1,734,983**	585,280	**1,681,629**	533,178
To Employees:-				
Directors (without executives)	**(3,037)**	(2,150)	**(2,668)**	(1,950)
Executive Directors	**(14,553)**	(13,993)	**(13,703)**	(13,050)
Employees	**(663,529)**	(521,775)	**(633,586)**	(499,453)
(To)/from Government:				
Income tax	**(352,541)**	11,914	**(346,499)**	19,548
To providers of capital				
Dividends to shareholders	**-**	(199,982)	**-**	(199,982)
To expansion and growth				
Depreciation	**(65,591)**	(51,320)	**(61,884)**	(48,616)
Amortisation	**(17,586)**	(23,260)	**(17,513)**	(23,202)
Retained earnings	**632,699**	(215,286)	**619,479**	(233,527)

PROXY FORM

I/WE, ... being a Member of the

above-named Company hereby appoint .... or failing him/her the Chairman of the Meeting as my/our Proxy to vote on my/our behalf at the Annual General Meeting (AGM) of the Company to be held on 26th April, 2024 at 10:30 am prompt.

DATED THE .... DAY OF.., 2024.

....
MEMBER

This Form is to be used in favour of/against the Resolution set out in the Agenda.

ORDINARY RESOLUTIONS	FOR	AGAINST
1. **TO ADOPT** ACCOUNTS		
2. **TO RATIFY** the appointment of the following Director:		
MRS. ABENA OSEI-POKU		
3. **TO RATIFY** the appointment of the following Director for a 3 year term:		
MRS. LUCY ALANDO		
4. **TO APPOINT** MESSRS KPMG as Auditors		
5. **TO AUTHORISE** Directors to fix remuneration of the Auditors.		

Please indicate with an "X" in the spaces above how you wish your vote to be cast. Unless otherwise instructed, the Proxy will vote as he thinks fit.

If executed by a body corporate, this Proxy Form should be completed by the signature of a duly authorized Officer and should be accompanied by a resolution in accordance with Section 11 of Schedule 8 of the Companies Act, 2019 (Act 992).

To be valid, this Proxy Form must be filled up, signed and lodged (together with any authority under which it is signed) with the Registrars at GCB Bank PLC, Registrar's Office, Thorpe Road, High Street, Accra not later than 3.00pm on Wednesday, the 24th day of April, 2024.

DRAFT RESOLUTIONS

DRAFT RESOLUTIONS OF ANNUAL GENERAL MEETING OF ECOBANK GHANA PLC

ORDINARY RESOLUTIONS

1. The General Meeting hereby **adopts the Statement of Accounts** of the company for the year ended the 31st day of December 2023 together with the reports of the Directors and auditors thereon.

2. The General Meeting hereby **ratifies** the appointment of **Mrs. Abena Osei-Poku** as a **Director.**

3. The General Meeting hereby **ratifies** the appointment of **Mrs. Lucy Emma Alando** as a Director for a 3 year term.

4. The General Meeting hereby **appoints Messrs KPMG** as **Auditors** for the Bank.

5. The General Meeting hereby **authorizes** the **Directors** to fix the **remuneration** of the **Auditors**.

Holding Company and Subsidiaries

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