2024 ANNUAL REPORT

PRUDENTIAL BANK LTD

Dear Valued Customer,

Be cautious of unsolicited SMS, phone calls, or even personal interactions that seek your confidential information.

Sharing such information can lead to identity theft and financial fraud.

Tel: 0302 750 420 | Toll-free: 0800 000 772
customercare@prudentialbank.com.gh
www.prudentialbank.com.gh

PRUDENTIAL BANK
...Truly dependable

PRUDENTIAL BANK LTD

ANNUAL REPORT

2024


PRUDE

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ABOUT US

Prudential Bank LTD (PBL) opened for business on 15th August, 1996. The main areas of the Bank's operation are domestic and international banking, project financing, e-banking services, SME financing, international remittance services and funds management. The bank has a wide array of electronic, digital and remote banking channels complemented by a network of 41 physical locations. PBL was in 2021 and 2022 adjudged a 5-star quality service provider by the Chartered Institute of Marketing, Ghana. In 2022, the Bank was adjudged the Emerging Digital Bank of the Year by two different awarding institutions. The Bank has consistently won several other prestigious awards in the banking sector since inception.

Vision

To be the financial services provider of choice that delivers exceptional value.

Corporate Mission

Creating mutual success with our shareholders through innovative and seamless solutions.

Subsidiary Company

Prudential Securities LTD: A company engaged in fund management, corporate finance and business advisory services.

OUR CORE VALUES

INTEGRITY

We demonstrate fairness and honesty in all we do at all times.

TEAMWORK

We work to create a collaborative environment where individuals work together effectively to achieve shared goals.

RESPECT

We value the views and contributions of all, treating everyone with dignity and consideration.

EXCELLENCE

We strive for continuous improvement, consistently delivering exceptional results.

PASSION

We are driven by a genuine enthusiasm for making a positive impact on our customers, communities and the broader financial sector.

INNOVATION

We embrace creativity and challenge the status quo, constantly seeking new and better ways to serve our customers and meet their evolving needs.

DIVERSITY

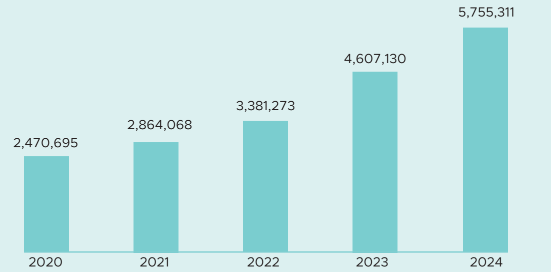
We celebrate diversity and cultivate an inclusive workplace that values different perspectives and experience.

Corporate **Information**

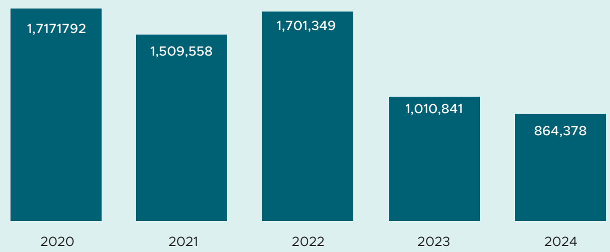
BOARD OF DIRECTORS:	**Muriel Susan Edusei** (Chairperson) **Bernard Appiah Gyebi** (Managing Director) **Daniel Asah Kissiedu** **Juliana Addo-Yobo** **Daniel Larbi Tieku** **Victoria Nana Ama Barth** **Ofotsu Akai Tetteh-Kudjorjie** **Rev. Prof Peter Ohene Kyei** **Felix Kwesi Duku** (Resigned 29 July 2024)
SECRETARY:	**Alison Ann Debrah**
REGISTERED OFFICE:	No. 8 John Harmond Street Ring Road Central Accra - Ghana GPS Address: GA-005-3060
INDEPENDENT AUDITOR:	PricewaterhouseCoopers PwC Tower A4 Rangoon Lane Cantonments City PMB CT 42, Cantonments Accra, Ghana

Financial Highlights

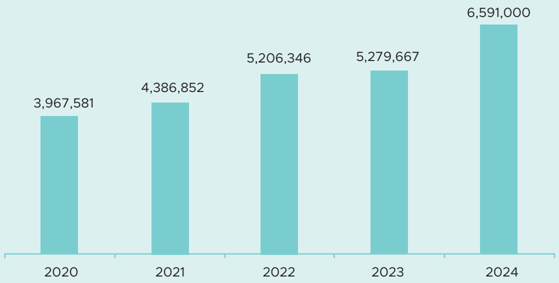
DEPOSIT (GH¢'000)



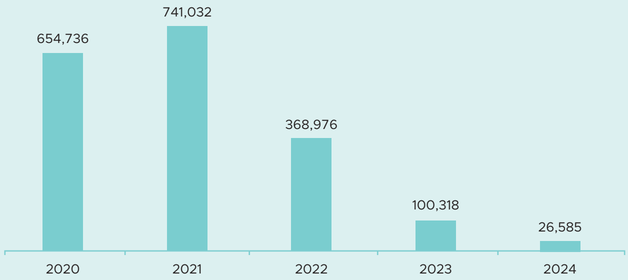
LOANS (GH¢'000)



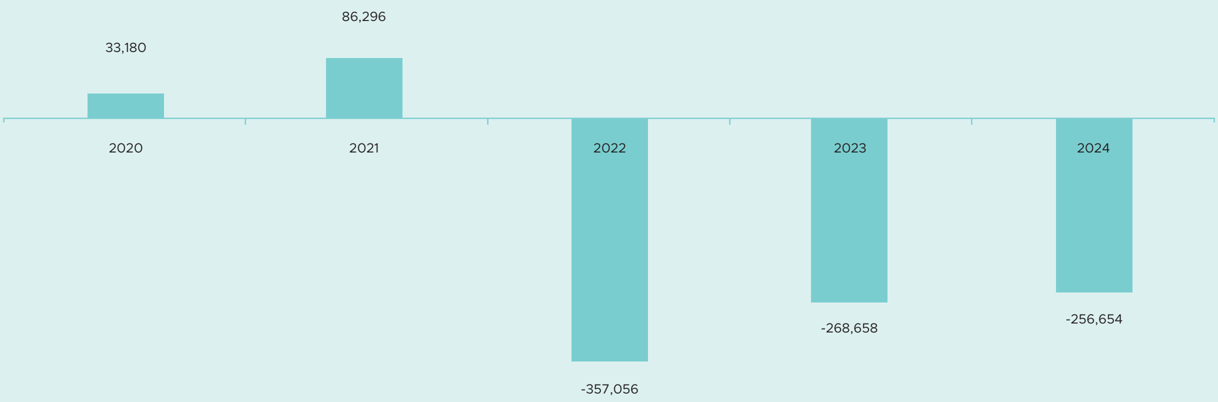
TOTAL ASSETS (GH¢'000)



SHAREHOLDER FUNDS (GH¢'000)



PROFIT FOR THE YEAR (GH¢'000)



Chairperson's Statement

1.0 INTRODUCTION

Esteemed shareholders, external auditors, members of the Board of Directors, Executive Heads, ladies and gentlemen, it is my privilege to welcome all of you to the 28th Annual General Meeting of Prudential Bank Limited.

On behalf of the Board of Directors, I extend heartfelt gratitude for your support and trust during 2024, the second daunting and challenging year for the Bank post the debt exchange programme (DDEP).

Due to the capital inadequacy position and the attendant consequences on our financial performance, it is critical that shareholders take additional decisions urgently to support the ongoing recapitalization process for the continued existence of the Bank. You are already aware through the updates communicated to you on the progress made so far. At this AGM, you will be requested to approve further measures to enable additional necessary actions to be taken by the Board to fully recapitalise the Bank and restore its capacity to operate profitably.

Before providing a comprehensive review of your Bank's performance, I would like to give overviews of relevant global, domestic and banking sector specific factors which indirectly and directly impacted our business in 2024.

2.0 OPERATING ENVIRONMENT REVIEW-2024

2.1 Key Global Economic Developments

Although the global economy demonstrated overall resilience with GDP growth increasing from 2.80% in 2023 to 3.3%, this masked an uneven performance as some countries experienced strong growth, particularly in the first half of the year. The US economy demonstrated resilience despite aggressive monetary tightening. China's industrial and services sectors showed strong performance contributing to its GDP growth. Several large economies also showed some improvement in their outlook. Growth in other economies, however, slowed down due to considerable challenges and uncertainties caused by:

- **Trade barriers and policy uncertainty:**

  Increased trade barriers and policy uncertainties particularly in the major economies affected investment and consumer spending.

- **Inflation:**

  High inflation, particularly in the services sectors, was a persistent concern which made it difficult for central banks to ease monetary policy. Central bank rates remained high to fight inflation and a withdrawal of fiscal support amid high debt weighed on economic activity.

- **Trade:**

  Trade policy uncertainty and rising trade barriers dampened investment and spending.

- **Geopolitical Risks:**

  The conflict in Ukraine and other geopolitical tensions continued to pose risks to the global economy, potentially disrupting supply chains and increasing energy prices.

2.2 Key Economic Developments in Sub Saharan Africa

According to IMF statistics, Sub-Saharan Africa's economy grew from 3.4% in 2023 to 3.6% in 2024. This growth was considered insufficient to significantly reduce poverty or address other developmental challenges which were:

- **Macroeconomic vulnerabilities:**

  Countries in the region continued to face macroeconomic imbalances, tight financing conditions and rising social pressures.

- **High Inflation:**

  While overall inflation declined from 7.1% in 2023 to 4.5% in 2024, it remained high in many countries.

- **Elevated Public Debt:**

  Many countries faced high levels of public debt which strained government finances and limited resources for development spending.

- **Tight Financing Conditions:**

  The region faced challenges accessing financing from international markets.

- **Global Uncertainty:**

  The region was vulnerable to global economic shocks and uncertainties.

The combination of poverty, scarce opportunities and weak governance, compounded by a higher cost of living, fueled social frustration in many countries.

2.3 The Ghanaian Economy

According to the World Bank, in 2024, Ghana's GDP growth exceeded expectations, reaching 5.7%, a significant improvement from the 3.1% recorded in 2023. This expansion was driven by the industry sector, which grew by 7.1% year-on-year, thanks to strong growth in the extractives sector (mainly mining) and construction. Agriculture grew by 2.8%, owing to improvements in livestock and crop production. The services sector grew by 6.1%, compared to 5.6% in 2023, supported by growth in information and communications, financial and insurance, and transport services.

On the expenditure side, growth was bolstered by consumption expansion, particularly by the public, and a rebound in investment spending.

Inflation reached 23.8% by year-end, driven by food prices and currency depreciation.

The Ghana Cedi depreciated by 19.0% against the US dollar by end-2024.

The external sector improved in 2024, achieving a current account surplus of 3.2% of GDP by end-year, bolstered by higher gold and crude oil exports and strong remittance inflows. Gross international reserves increased to $8.98 billion in 2024 (4 months of imports) from USD 5.92 billion in 2023.

However, the fiscal outturn for 2024 deteriorated, with primary and overall fiscal deficits exceeding targets at 3.7% and 7.7% of GDP, respectively, due to accumulating arrears and unbudgeted spending. Revenues and grants totaled 15.6% of GDP, while expenditures (commitment basis) rose to 23.3% of GDP. Nevertheless, the public debt-to-GDP ratio declined to 70.5% due to the haircut on Eurobonds and the strong GDP growth.

2.4 The Banking Sector

In 2024, the banking sector demonstrated mixed performance, with both improvements and challenges observed. While there was strong asset growth, with deposits remaining the primary source of funding, and profitability increased, elevated credit risk, as indicated by a rising non-performing Loan (NPL) ratio, posed a threat to sustained recovery.

Key Performance Areas

- **Asset Growth:** Total bank assets grew significantly by 33.8%, reaching GHS 367.8 billion at the end of December 2024.
- **Profitability:** Banks experienced a consistent rebound in profits, indicating improved performance.
- **Liquidity and Efficiency**: Indicators of liquidity and efficiency also improved, suggesting a healthier banking sector.
- **Capital Adequacy:** The capital adequacy ratio (CAR) without reliefs rose to 11.3%, compared to 8.3% in 2023, while CAR with reliefs grew marginally to 14% from 13.9% in 2023. This was a steady improvement, both with and without regulatory reliefs.
- **Credit Risk:** The NPL ratio rose to 21.8% in December 2024 compared to 20.6% the previous year reflecting an increase in non-performing loans.

Mixed Performances:

- **Commission and Other Income**: Net fees and commissions experienced slower growth, while other income contracted significantly, indicating a mixed performance in income generation.
- **Operating Income and Expenses:** Operating income saw a sharp increase, while operating expenses grew at lower rates compared to the previous year, suggesting a positive trend in cost management.

Challenges and Outlook:

- **Credit Risk:** The elevated NPL ratio underscores the need for vigilance in credit risk management and loan recovery efforts.
- **Recapitalization and Underwriting Standards:** The Bank of Ghana stressed the importance of recapitalization plans, strict credit underwriting standards, and intensified loan recovery efforts to ensure the sector's long-term resilience.
- **Economic Factors:** Factors like inflation and fiscal tightening could weigh on domestic demand and potentially affect banking sector performance 2025.

Other key highlights in 2024:

- **Focus on Customer Experience**:

  Banks are increasingly focused on improving customer experience, with speed, predictability and employee expertise being top priorities for customers.
- **Digital Transformation:** Banks continued to invest in digital transformation to enhance customer experience and modernize technology platforms.
- **Key Directives and Guidelines issued by the Bank of Ghana (BoG)**

  Several directives and guidelines were issued by the BoG during the year including the following:

  - **Climate- Related Financial Risk Directive** -This requires regulated financial institutions (RFIs) to integrate climate-related risks into their decision-making processes, risk management frameworks and internal control systems.
  - **Outsourcing Directive -** This outlines the regulatory requirements for RFI's when outsourcing critical functions.
  - **Draft Open Banking Directive -** This aims to promote the adoption of digital financial services by establishing clear rules around data protection, security and operational standards for Open Banking.
  - **Virtual Asset Regulation -** The BoG announced plans to regulate the cryptocurrency market.
  - **Digital Lending Guidelines -** Comprehensive guidelines for digital lending aimed at protecting consumers from online lending scams are being developed to establish clear standards for bank-led and non-bank digital lending.
  - **Large Exposures Directive -**This directive aims to limit the maximum loss that RFIs can incur from the failure of a counterparty or a group of connected counterparties, ensuring the solvency of RFIs.
  - **Bancassurance Directive -** This directive allows RFIs to contract with life and general insurance companies to offer insurance products to their customers.
  - **Notice on Dud Cheques -** By this directive sanctions are imposed on individuals and business entities for persistently issuing dud cheques including bans on cheque issuance and access to credit.

In summary, the Ghanaian banking sector in 2024 exhibited growth and profitability, but also faced the challenge of elevated credit risk. Continued focus on recapitalization, stricter credit underwriting, and effective loan recovery efforts will be crucial for maintaining the sector's stability and long-term resilience.

3.0 PRUDENTIAL BANK LTD– PERFORMANCE OVERVIEW IN 2024

3.1 Financial Performance

Dear Shareholders, your Bank's financial position remained weak triggered by the persisting effects of the impact of the DDEP as well as the very significant write-offs of legacy loans in 2023. Additionally, in 2024, your bank suffered from having to accommodate a 37% nominal haircut on its Eurobond investments and the imposition of regulatory restrictions on its operations. Economic volatility, especially inflation and the rapid depreciation of the Ghana Cedi further exacerbated the bank's financial performance.

As a consequence of these factors, the Bank's operating income declined by 11% from GHS 454 million in 2023 to GHS 406 million in 2024. Operating expenses, on the other hand, increased by 21% from GHS 398 million in 2023 to GHS 479 million in 2024.

However, effective measures instituted by the Board and Management resulted in strong recoveries and a much-improved collateral management, leading to a significant reduction in impairment charges by GHS 637 million from GHS 660 million in 2023 to GHS 23 million in 2024. As a result of the Eurobond exchange, the Bank recorded modification losses of GHS 159 million in 2024. The bank posted a total loss of GHS 257 million after tax. This was an improvement in the loss of GHS 410 million recorded in 2023.

The Bank's total assets increased by 25% from GHS 5.28 billion at the end of 2023 to GHS6.59 billion at the end of 2024. Earning assets, comprising loans and advances to customers and investments in securities, however, increased marginally by 2% from GHS2.91 billion at the end of 2023 to GHS2.98 billion at the end of 2024.

The marginal increase in earning assets is driven by a 11% increase in investment securities, following the receipt of about GHS 180 million cedis in recapitalization bonds from the Ghana Amalgamated Trust Plc. Notwithstanding the growth in investments, net loans and advances declined by 11%. Ongoing lending restrictions by the Bank of Ghana translated into a decline in gross loans by 11.7% from GHS 2.03 billion in December 2023 to GHS 1.79 billion in December 2024. Strong recoveries, totalling about GHS 238 million in 2024, accounted for the writeback of GHS 89 million in impairment provisions. Following Board and Bank of Ghana approval, a total of GHS 102.7 million in uncollectable and fully provisioned loans were written off in 2024. The cumulative provisions of the Bank stood at GHS 830 million at the end of December 2024 compared to GHS 915 million for the same period in 2023.

The Bank grew its deposit portfolio by 25% (GHS1.14 billion) from GHS 4.60 billion at the end of 2023 to GHS 5.74 billion at the end of 2024, which trailed the deposit growth of 36% in 2023 due to regulatory restrictions placed on the Bank by the Bank of Ghana in 2024. The restrictions impacted the Bank's ability to retain and attract key customers and build its loan portfolio. The moderated deposits growth led to reliance on short-term borrowings which posted an increase of 61% from GHS 386 million in 2023 to GHS 620 million in 2024.

The non-performing loan (NPL) ratio rose, primarily due to additional downgrades and the impact of the persistent Ghana Cedi depreciation on foreign currency-denominated loans. As a result, the Bank's capital adequacy ratio (CAR) declined, leading to an increase in the capital shortfall from GHS 600 million in 2023 to GHS 1.13 billion in 2024.

It is clear from the financial review that your Bank is in a critical period requiring urgent recapitalisation to enable us to continue to operate as a going concern. You will therefore at this meeting, be invited to pass the necessary resolutions to enable Directors take actions to fully recapitalise the Bank by the end of 2025 to prevent further deterioration of its capital position, restore confidence and enable the Bank of Ghana remove its regulatory restrictions.

While waiting to recapitalise, the Bank in 2024, completed a number of operational initiatives including implementation of its revised organogram, to align its operational structure to best practice, completion of the reorganisation of internal processes to enhance operational efficiency, introduction of measures to contain costs, and on-going training for staff to strengthen their skills to enable them to perform effectively.

3.2 OTHER KEY DEVELOPMENTS IN 2024

3.2.1 Capital Restoration Update

Esteemed shareholders, during the year 2024, updates on the progress of the capital restoration plan launched in 2023 were shared with you. Your mandate at that time to the Board was for the Board to raise the amount of GHS 600 million which was the capital gap at that time, through a renounceable rights issue and private placement,

At the end of the rights issue, Ghana Amalgamated Trust Plc (GAT) was the only shareholder who participated with GHS 180.96 million injection in the form of mostly bonds and some cash. Subsequently, the private placement process was launched.

A binding offer from a prospective investor under the private placement process was accepted by the Board.

A request was then submitted to Bank of Ghana for their "no objection" for the Bank to engage the selected investor in acquisition discussions. Shareholders' approval will be sought under special resolution during this AGM to enable the Bank to apply to Bank of Ghana for the needed approvals to conclude the transaction.

However, due to the widening of the capital deficiency gap to GHS 1.13 billion as already explained, Shareholders will be required to pass resolutions to approve a second capital raise immediately after the AGM in order to bridge the additional gap.

3.2.2 Recognition

Dear Shareholders, the situation was not all gloomy. KPMG's report on the banking sector for the end of 2024 stated as follows:

> **"Prudential Bank was the best performer for SME banking, outperforming last year's leader by a significant six percentage point margin. The Bank excelled in quality, relevance and timeliness of obtaining bank information, ease and speed of obtaining cheque books and trade finance services."**

Again, in November 2024, the Institute of Directors Ghana (IoD-Gh) adjudged the Bank as the "Best Corporate Governance Compliant in the Banking Industry for the Year 2023."

3.2.3 Strategic Progress

With the Board's approval at the end of 2023 of the new medium term strategy document, the PBL Strategic Plan (2024 – 2028), the Bank made significant progress with the implementation of the plan for the year 2024 in areas such as treasury, deposit mobilization, technology, human resources, digital transformation, ESG integration, risk management enhancement, operational review and implementation and enhanced customer experience. However not much progress was made in the areas of business expansion as well as investment in IT technology due to our inability to complete the capital raise and get the BOG to lift their restrictions.

3.2.4 Governance and Risk

Strong governance continued to be a cornerstone of our operations. We continued to reinforce our risk management framework, as already stated, to ensure the Bank remained stable amid volatility. Compliance with ethical banking practices and most of the regulatory requirements, except those pertaining to our capital inadequacy, took place.

3.2.5 Staff and Culture

Our staff continued to remain our greatest asset and so we continued to invest in bringing in much needed talent to reinforce our teams. We also invested in talent development for all staff. Further, all staff were trained in a culture change program to embed a culture of excellence in their work.

I would like at this juncture, to express gratitude to our management team and all employees who in the face of daunting challenges worked to ensure the Bank survived 2024.

3.2.6 Sustainability and Responsibility

We introduced Environmental, Social, and Governance (ESG), considerations under the Sustainable Banking Principles, in our operations to foster a balance between economic growth, environmental protection and social fairness. The Board and Key Management staff, as leaders in this, participated in a training programme organised by the International Finance Corporation in conjunction with the Institute of Directors, Ghana. Further, our Sustainability Officer was sufficiently empowered to ensure compliance with seven (7) key principles under the sustainable banking principles.

Our support aimed at giving back to society through our corporate social responsibility programme continued. An amount of GHS1.4 million representing an increase of 20% above the 2023 figure of GHS 1.1 million was expended in 2024. We continue to believe that responsible banking is integral to long term success.

Full details are reported on in the separate Sustainability Report published in the Annual Report.

4.0 STRATEGIC OUTLOOK AND FUTURE PLANS

One key strategic focus for 2025 will be the full recapitalization of the Bank. This has become critical for the Bank's survival. Successfully recapitalizing will unlock our plans for growth, innovation and sustainability.

Our plans to introduce new products and services, undertake technological improvements, continue with plans to change our core banking platform and expand our market all hinge on the availability of capital.

We will continue with aggressive mobilisation of low-cost deposits. We will also continue to deepen our commitment to customer satisfaction and the building of strong relationships. We will continue with improving operational efficiency through standardization, consolidation and centralisation of branch processes. Consolidation of cloud solutions will continue to be pursued.

5.0 CHALLENGES AND OPPORTUNITIES

The Bank faces challenges both internally and externally. Internal challenges are due to the lack of adequate capital, the lingering effects of the debt restructuring of our local currency and Eurobond investments, the unacceptable levels of non-performing loans (NPLs), higher than the average level in the banking sector, urgently required investment in IT, the lack of a robust core banking application to support our business, and the transformation of our service delivery platform to offer speed, security and convenience to customers.

External challenges due to economic downturns, regulatory changes and competitive pressures will be present.

However, esteemed shareholders, looking forward, we are confident in our strategic direction and the ability, skills and strength of our leadership team to take advantage of the opportunities presented for growth.

Your Bank is determined to continue to pursue disciplined growth, innovation and value creation as we build a resilient and adaptable institution in navigating these challenges and opportunities.

6.0 ACKNOWLEDGEMENTS

We express our deepest gratitude to the Board of Directors, the Management team, and staff for your dedication and hard work in the face of challenges. We thank you Shareholders and other stakeholders for your continued trust and support. We are extremely grateful to our customers who continue to support our business and have contributed to our survival thus far.

7.0 CONCLUSION

We reiterate our vision to be the financial services provider of choice that delivers exceptional value. We are committed to achieving our strategic goals anchored on strong capital, a strong deposit base and operational resilience.

We urge Shareholders and all stakeholders to continue supporting the Bank's pursuit for growth and success because together we will succeed!

May God bless all of us.

MEdusei

MURIEL SUSAN EDUSEI (MRS)
CHAIRPERSON

Board Profile

Mrs. Muriel Susan Edusei
Chairperson

Bernard Appiah Gyebi
Managing Director

Mrs. Muriel Susan Edusei is a business leader with expertise in Banking & Finance, Corporate Governance and, Corporate Restructuring.

She worked with the National Investment Bank in various positions for 18 years retiring as the Head of Foreign Operations in 1995. She subsequently joined Oikocredit International, a development finance institution with its headquarters in the Netherlands, as Regional Manager for Anglophone West Africa, where she established the regional office in Ghana to serve Ghana, Gambia and Sierra Leone. She retired from Oikocredit in December 2010 after a successful 15-year tenure.

Muriel served as board chair of HFC Bank, now Republic Bank PLC and on other boards including the boards of Fidelity Equity Fund II, Opportunity International Savings and Loans Company Limited, Ghana National Petroleum Corporation and Nestlé Ghana Limited.

Muriel holds a degree of Bachelor of Science in Administration (Accounting Option) and a Master of Business Administration in Finance both of which were obtained from the University of Ghana Business School. She is a Hubert Humphrey Fellow and during her fellowship programme in the United States, undertook an MBA Finance and Banking non-degree awarding course at Boston University. Additionally, she did attachments in Banking Supervision at the Federal Reserve Bank of Boston and in international trade and finance at Chemical Bank, New York, U.S.A. She is a Fellow of the Ghana Institute of Directors and previously served as a Council Member.

Muriel was appointed to the board of the Bank in April 2020 and was elected Chairperson.

Mr. Bernard Gyebi is a banking professional with 28 years of experience, having worked in all the core areas of banking in reputable banks. He was appointed Managing Director of Prudential Bank in February 2023, following approval by the Bank of Ghana.

Until his appointment, he was the General Manager, Risk Management at Republic Bank (Ghana) Plc. While at Republic Bank, he was seconded for a period to the head office of Republic Financial Holdings Limited in Trinidad & Tobago, where he handled risk management assignments related to seven of the Group's subsidiaries in the Caribbean.

He previously worked at Agricultural Development Bank PLC (ADB), first as Executive Head of Credit Risk and later as the Chief Risk & Compliance Officer. Prior to joining ADB, Mr. Gyebi worked for Stanbic Bank Ghana Limited as Head of Credit. He also worked for Barclays Ghana (now Absa Bank of Ghana Limited) from September 1999 to December 2007 in various roles including Senior Credit Analyst (while on secondment to Barclays Africa head office in Johannesburg, South Africa) and as Head of Corporate Credit.

Mr. Gyebi holds a degree of Master of Business Administration with specialization in Risk Management & Investment from the Imperial College London, U.K., and a Post-Graduate Degree (PGD) in Corporate Management & Finance from the Universite Paris Pantheon-Sorbonne, France. He also holds a Bachelor of Science degree in Planning from the Kwame Nkrumah University of Science & Technology, Kumasi.

Board Profile

Mr Daniel Kissiedu
Director

Mr. Daniel Larbi-Tieku
Director

Mr Daniel Kissiedu is a banking, consulting, and business executive with 22 years' experience in providing strategic guidance to businesses, structuring transactions, and providing solutions in energy and logistics.

Daniel is currently the Managing Director of Compass Prime Limited, a trade and logistics company. Prior to this role, he was the Managing Director of Trade and Logistics Africa Limited, a position he held for 10 years. He had previously been the Chief Operating Officer at Osam Energy Company Ltd. Daniel also worked with Zenith Bank Ghana Ltd, first as a relationship manager, and later as a Business Manager. He was a Senior Associate for Strategy Consulting at Dixcove Ventures Advisory Group.

Daniel holds a degree of Master of Business Administration in Finance from the University of Leicester, U.K. and a Bachelor of Science in Planning obtained from the Kwame Nkrumah University of Science and Technology, Kumasi.

Daniel was appointed to the Board of Prudential Bank in June 2018.

Mr. Daniel Larbi-Tieku is a chartered accountant with over 30 years' experience in financial and management accounting in the manufacturing and financial services sectors. He was appointed the Group Chief Executive Officer of the Enterprise Group in April 2023, having served as the Deputy Chief Executive Officer of the Group for three years. He serves on several boards of the Enterprise Group including the boards of Enterprise Funeral Services Limited, Enterprise Insurance Company and Enterprise Life Assurance, Nigeria.

Daniel joined the Enterprise Group in May 2011 as the General Manager, Finance of Enterprise Life Assurance Company Limited. He was appointed the Group Chief Finance Officer in May 2016 and then the Deputy Group Chief Executive Officer in 2020. Prior to joining the Enterprise Group, Daniel worked for 11 years as the Finance Director of The Coca-Cola Bottling Company of Ghana Limited. He had also worked for the same company for a year as the Management Accountant.

Daniel is a Fellow of the Association of Chartered Certified Accountants, UK (FCCA) and a Fellow of the Institute of Chartered Accountants, Ghana (FCA). He possesses a degree of Bachelor of Science in Administration (Accounting option) which he obtained from the University of Ghana Business School in 1988.

He was appointed to the Board of Prudential Bank in April 2020.

Board Profile

Mrs. Juliana Addo-Yobo
Director

Mrs. Victoria Barth
Director

Mrs. Juliana Addo-Yobo is a private legal practitioner based in, Labone, Accra. She has worked in diverse managerial capacities at various organizations including Ghana Customs, Excise and Preventive Service (CEPS) now GRA, Ghana National Procurement Agency, Attorney General's Department in Ghana, Leadership Regional Network for Southern Africa (LEARN) based at the University of Pretoria and the Legal Aid Board in South Africa.

Juliana is a SSNIT representative on the Board of Directors of Hotel Investments Limited (Labadi Beach Hotel) and has also served as a member of the Ghana Revenue Authority (GRA) Board and Board Member of the Ghana Supply Company. She is currently the Vice Chairperson of the Committee on Women and Minors' Rights of the Ghana Bar Association. She is currently the Assistant Secretary of the Women's Forum of the Ghana Bar Association and a Member of the Women's Fellowship of the Ebenezer Methodist Church, Community 20. Tema

Juliana was appointed to the Board of Prudential Bank in April 2020.

Mrs. Victoria Barth is a lawyer with over 20 years' experience in legal practice. She is the Managing Partner of Sam Okudzeto and Associates, a tier one Ghanaian law firm. She is a member of the Ghana Bar Association, International Bar Association, Commonwealth Lawyers Association and African Arbitration Association. She serves on other boards including the SOS Children's Villages Ghana LBG. She is an adjunct lecturer at the Ghana School of Law and the Head of Faculty for Advocacy and Legal Ethics.

Victoria was appointed to the Board of Prudential Bank in April 2020.

Board Profile

Reverend Professor Peter Ohene Kyei
Director

Mr. Ofotsu A. Tetteh-Kujorjie
Director

Reverend Professor Peter Ohene Kyei has over 40 years' experience in administration and education. A great part of his career has been spent in education at the tertiary level. Since 1988 he has held administrative positions, taught several courses and managed various projects in the university and the church environments.

Peter was called into full-time ministry at the Church of Pentecost as a Pastor and was inducted into office as the Rector of the Pentecost University where he served for eight years.

Prior to his position at Pentecost University, he spent over 20 years as an academic at the Kwame Nkrumah University of Science and Technology (KNUST) where he served as a senior lecturer and head of Geography and Rural Development. While in KNUST, he served on several committees and boards including the Academic Board and as Chairman of the KNUST Basic Schools Board.

He has published many academic papers and book chapters in peer-reviewed academic journals locally and internationally.

He chairs the Advisory Board of Environment and Sanitation Cluster of the Jospong Group of Companies and the Council of Entrance University College of Health Sciences.

Peter holds a Bachelor's degree in Geography with Economics from the University of Ghana, a Master of Science degree in Regional Planning from Kwame Nkrumah University of Science & Technology, and a Doctor of Philosophy (PhD) in Development Geography from Durham University in the United Kingdom.

He was appointed to the Board of Prudential Bank in August 2020.

Mr. Ofotsu A. Tetteh-Kujorjie is a lawyer and engineer with extensive leadership experience across Africa's public and private sectors. He brings a distinctive blend of legal, engineering, and financial expertise—enabling him to navigate complex business and regulatory environments with strategic clarity and analytical precision.

He has advised on transactions exceeding US$60 billion across Africa's energy, infrastructure, telecom, and finance sectors, with cross-cutting experience in multiple African jurisdictions and global markets. As a senior advisor to the Government of Ghana, he regularly briefed the Presidency, Cabinet, and international institutions including the World Bank and IMF on matters of national importance.

Ofotsu led Ghana's landmark US$1+ billion energy sector debt and power purchase agreement restructuring, delivering projected national savings of over US$10 billion, enhancing investor confidence, and safeguarding macroeconomic stability. His systems-thinking approach enables him to craft solutions that integrate financial strategy, regulatory insight, and stakeholder alignment.

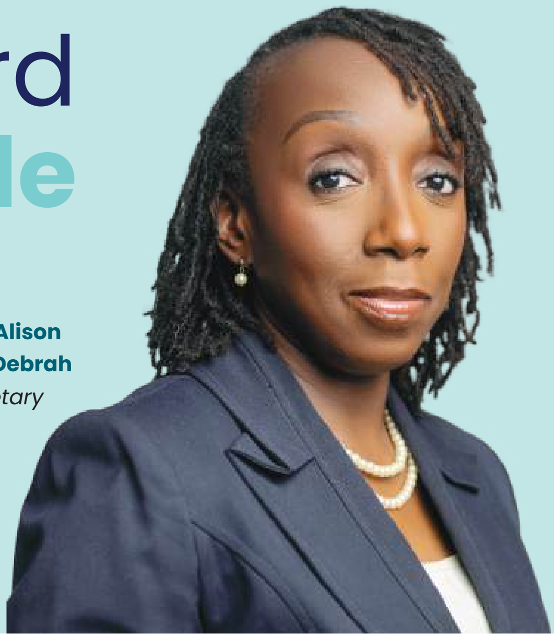
He holds degrees from Cornell University (B.S., M.Eng.), the University of Pennsylvania Carey Law School (J.D.), Georgetown University Law Center (LL.M. in Taxation), and the Wharton School of the University of Pennsylvania (Certificate in Business & Public Policy).

Appointed to the Board of Prudential Bank Limited in 2020, he chairs the Cyber & Information Security Committee and serves on both the Credit and Risk Committees.

Board Profile

Mr. Felix Kwesi Duku
Director

Mrs. Alison Ann Debrah
Secretary



Mr. Felix Kwesi Duku has over 33 years of experience in Information Technology in the banking and finance sectors, 16 years of which were spent in senior executive functions. His experience covers a wide range of I.T. leadership roles pertaining to the following: implementation of core banking systems; formulation and implementation of comprehensive I.T. strategies; implementation of digital banking solutions, Financial Inclusion and I.T. Governance; the design and implementation of wide area data communication infrastructure; and the planning and rollout of large and complex I.T. data centres.

Felix pioneered the setting up of the Electronic Banking Department for Ecobank Ghana. He founded Duku Consulting Limited in 2006 and since then has helped a number of financial institutions in Ghana to formulate and roll out I.T. strategies. These institutions include Bank of Ghana, Ghana Interbank Payment & Settlement Systems (GhIPSS), Ghana Stock Exchange, GCB Bank, Ghana International Bank, Consolidated Bank Ghana (CBG), Fidelity Bank Ghana, CAL Bank, Agricultural Development Bank, among others. He has also consulted for the Ghana Revenue Authority and the Volta River Authority.

Felix was engaged as a Technology Consulting Specialist by the World Bank/Government of Ghana to lead the implementation of a Core/Digital Banking platform for the Credit Unions in Ghana, a component part of the Ghana Financial Sector Development Project (GFSDP).

Felix holds a degree of Bachelor of Science in Computer Science from Kwame Nkrumah University of Science & Technology, a Post Graduate Certificate (PGC) in Business Administration from Leicester University, and a Post Graduate Diploma in Advanced Information Technology & Business Management from the University of Wales. He also successfully pursued a course in Digital Strategies for Business: Leading the Next Generation Enterprise, run by Columbia University in 2018, and Blockchain and Digital Currency: The Future of Money and Fintechs: Disruption in Finance - both from the University of Cape Town. He is a member of ISACA, a thought leader and subject matter expert in Digital Banking, Core Banking, Blockchain, Cryptocurrency and Big Data Analytics.

Felix was appointed to the Board of Prudential Bank in July 2021.

Mrs. Alison Ann Debrah is a chartered accountant and a chartered governance professional with over 33 years' experience in various Accountancy, Administration, Banking and Corporate Governance roles. She is a member of the Chartered Institute of Public Finance & Accountancy (CIPFA-UK) and an associate member of the Chartered Governance Institute UK & Ireland.

She graduated from the City University, London, United Kingdom with a joint degree of Bachelor of Science in Economics & Accounting.

She worked for 10 years in a number of finance related positions with the London Boroughs of Croydon, Southwark, and Sutton before having a brief spell with KPMG Chartered Accountants (Ghana) as Supervising Senior. She was the Managing Director of Credit Mall Limited, Accra, for seven years and the General Manager in charge of Human Resources & Administration at CFC Savings & Loans Limited, Accra for nine years. She thereafter worked for Bayport Savings & Loans Limited for nearly three years as the head of Corporate Governance.

Alison joined the Bank in March 2020 as a deputy head of Administration & Human Resources. She was appointed head of Administration in September 2020 when the Administration function was separated from the H.R. function. She was appointed to the additional role of Company Secretary in November 2020.

Management **Profile**

Mr. Bernard Gyebi
Managing Director

Mr. Ebow Quayson
Executive Head, Retail & Commercial Banking

Mr. Bernard Gyebi is a banking professional with 28 years of experience, having worked in all the core areas of banking in reputable banks. He was appointed Managing Director of Prudential Bank in February 2023, following approval by the Bank of Ghana.

Until his appointment, he was the General Manager, Risk Management at Republic Bank (Ghana) Plc. While at Republic Bank, he was seconded for a period to the head office of Republic Financial Holdings Limited in Trinidad & Tobago, where he handled risk management assignments related to seven of the Group's subsidiaries in the Caribbean.

He previously worked at Agricultural Development Bank PLC (ADB), first as Executive Head of Credit Risk and later as the Chief Risk & Compliance Officer. Prior to joining ADB, Mr. Gyebi worked for Stanbic Bank Ghana Limited as Head of Credit. He also worked for Barclays Ghana (now Absa Bank of Ghana Limited) from September 1999 to December 2007 in various roles including Senior Credit Analyst (while on secondment to Barclays Africa head office in Johannesburg, South Africa) and as Head of Corporate Credit.

Mr. Gyebi holds a degree of Master of Business Administration with specialization in Risk Management & Investment from the Imperial College London, U.K., and a Post-Graduate Degree (PGD) in Corporate Management & Finance from the Universite Paris Pantheon-Sorbonne, France. He also holds a Bachelor of Science degree in Planning from the Kwame Nkrumah University of Science & Technology, Kumasi.

Mr. Ebow Quayson is a business executive with 26 years of experience in banking. He joined Prudential Bank in July 2020 as the pioneer Executive Head, Business Development. In April 2024, he was made the Executive Head, Retail & Commercial Banking.

Commencing his career in 1998 as a customer service officer at Standard Chartered Bank, Ebow rose to become Branch Manager and later as Associate Director for Financial Institutions. He also worked for First Atlantic Bank, OmniBSIC Bank and Agricultural Development Bank (ADB) between 2012 and 2020. He occupied various roles including Group Head, Retail Banking; Head, Personal & Business Banking; and Head of Electronic Business respectively.

Ebow holds a degree of Bachelor of Arts in Economics & Political Science from the University of Ghana and Executive Master of Business Administration in Marketing from the University of Ghana Business School.

Ebow is an associate member of the Chartered Institute of Marketing, Ghana (CIMG), has certifications from ICMQ-Securities Institute of London & Ghana Stock Exchange as well as an Advanced Public Relations certificate from the Ghana Institute of Journalism (now UNIMAC). He is also a speaker at the annual National Youth Summit as well as a host of fintech events.

Management Profile

Mr. Edward Commey

Executive Head, Corporate & Institutional Banking

Mr. Felix Awuku

Executive Head, Operations

Edward Amartey Commey is the Executive Head of Corporate and Institutional Banking (CIB). He has over 24 years of experience in local and international banking. His expertise spans key areas of banking, including Corporate & Institutional Banking, with a strong focus on client coverage and business development.

In his current role, Edward leads the Corporate & Institutional Banking Division, driving growth and providing strategic direction across various sectors, such as Power and Infrastructure, Oil and Gas, Mining and Construction, Consumer and Soft Commodities, and Financial Institutions.

Edward has a proven track record of establishing and managing banking departments, including setting up a Corporate Banking Department and later leading an Institutional Banking division. His extensive experience in the banking industry has been instrumental in the origination and execution of significant transactions that have contributed to the business' growth and success.

He holds an MBA in Finance from the University of Ghana Business School and a Certificate in Master Class, Strategic Management from the Graduate Business School, University of Cape Town, South Africa. Edward is also a member of the Chartered Institute of Bankers (CIB), Ghana.

Felix joins Prudential Bank with about 22 years of banking experience. Before his appointment as Executive Head, Operations, Felix was the Executive Director, Operations at UMB. He was responsible for leading the team to drive operational efficiency and value-add initiatives within an optimized cost structure. Prior to this appointment, he was the Director of Banking Operations, having joined UMB in December 2015 from Barclays Bank, now ABSA Ghana. Felix has acquired extensive knowledge and experience in the Design and Implementation of Operations Processes & Controls, as well as driving operational excellence.

Felix started off his banking career at Barclays Bank of Ghana in December 2003 as a Technology Change Analyst, responsible for IT-related projects and change management. He later joined the operations team in 2006 as a Risk & Governance Manager for Operations, primarily responsible for Governance and Controls. During the expansion of the Barclays business in Ghana in 2008, he was appointed as the Head of Management Information & Analytics within the Retail Credit Risk function in charge of Portfolio Quality Analysis & Impairment Modelling. Subsequently in 2010, he was transferred to head the Reconciliation unit under Internal Control to streamline Internal Account Management & Reporting. He was then seconded to Barclays Zambia as the Head of Scheme Loan Collections from 2011 to 2012, steering the restructure of the scheme loan portfolio in the areas of arrears management, portfolio analysis, and collections. He returned to Barclays Ghana in 2012 and was appointed as the Vice President in charge of Wholesale Operations with responsibility for Trade Operations, Payments, Centralized Securities, and the Corporate Services Centre.

Felix is currently an adjunct lecturer at the National Banking College in the area of Operational Risk Management.

Felix is an alumnus of KNUST, Wisconsin International University College, Mountcrest University College, and a proud ODADEE.

Management **Profile**

Mr. Randal Ofori-Boachie
Chief Risk Officer

Mr. Frank Kwabena Kommey
Chief Finance Officer

Randal Ofori-Boachie is a Chartered Accountant with over 21 years post qualification experience in Internal Controls, Auditing, Finance and Risk Management having worked with PricewaterhouseCoopers, Zenith Bank (Ghana) Limited, Consolidated Bank Ghana Limited, First Atlantic Bank Limited and Universal Merchant Bank.

With over 19 years' experience in banking, He has worked in various roles including Chief Internal Auditor in First Atlantic Bank, Chief Risk Officer in Zenith Bank (Ghana) Limited where he is credited with developing the Enterprise Risk Management function. Prior to joining PBL, Randal was the Director, Enterprise Risk at Universal Merchant Bank.

He holds an MSc in Development Finance and BSC (Hons) Banking and Finance degree from the University of Ghana, Legon. He is a member of ACI Financial Markets Association and a Fellow of ACCA (the Association of Chartered Certified Accountants).

Mr. Frank Kwabena Kommey is a finance professional with 16 years' experience in consulting and financial services. He joined Prudential Bank in May 2021 as the Chief Finance Officer.

He previously worked for Zenith Bank (Ghana) Limited in various roles, including Internal Audit, Custodian Banking, and Financial Control & Strategic Planning between 2012 and 2020, and rose to the position of Financial Controller. He also worked for PricewaterhouseCoopers (PWC), where he served clients mainly within the financial services industry.

Frank is a Fellow of the Association of Chartered Certified Accountants, UK (FCCA) and holds a degree of Bachelor of Science in Administration (Accounting option) from the University of Ghana Business School. He also holds a Master of Business Administration from the University of East London.

Management **Profile**

Mr. Leopold L. L. Armah

Chief Information Officer

Nana Offei Djan

Head, Legal Services Department

Leopold L.L. Armah is the Chief Information Officer (CIO) with oversight responsibility for the Technology, Digital Transformation (including Customer Experience Centre), Information Systems Governance, and Projects Departments. He has over twenty-four (24) years of professional experience in delivering advanced solutions and implementing both technical and business strategies for major entities. He has an enviable mix of experience, and remarkable track record within Telecommunication, Financial, Pensions, and Insurance sub-sectors of the Ghanaian economy.

Prior to joining the Bank, he worked with Guaranty Trust Bank (Ghana) Limited initially to restructuring and repositioning the Technology Group from system focused to business and result-oriented entity, and later setup the Digital Banking and Alliance Division leading to the achievement of several industry recognitions over an eight (8) year period. He also worked for four years with SSNIT Informal Sector as the Head of Management Information Systems (MIS) and four years as an MIS Consultant to the Central Government Project, a project jointly ran by the Governments of Ghana and Canada. Leopold also had a year's stint with the Unique Insurance Company Limited as the Head of Information Technology (IT).

Leopold holds a degree of Executive Master of Business Administration in Information Technology from the Paris Graduate School of Management in France. He also holds a Postgraduate Certificate in Public Administration from the Ghana Institute of Management & Public Administration (GIMPA) and a degree of Bachelor of Science in Computer Science & Statistics from the University of Ghana.

Nana Offei Djan was called to the Ghana Bar in June 2003 having obtained his Qualifying Certificate in Law from the Ghana Law School. He has 22 years' experience in both private and corporate legal practice.

Nana Offei joined Prudential Bank in 2009 as a Legal Officer and rose to his current position as the head of Legal Services in July 2020. Prior to joining the bank, he worked for three years with the Ghana Prisons Service as a Legal Officer/Civilian Employee. He also had a year's stint with Archer, Archer & Co. (Legal Practitioners and Notary Public) and three years with Messrs. Kye & Co. (Legal Practitioners).

Nana Offei also possesses a degree of Bachelor of Arts in Political Science & Sociology from the University of Ghana.

Management Profile

Ms Lilian Antwiwaa Asante

Head, Human Resource

Mrs. Akosua Ampofowah Boahen

Head, Marketing and Corporate Affairs

Ms. Lilian Antwiwaa Asante is an HR Practitioner and lawyer, with extensive experience and knowledge of the labour, employment, and employee relations landscape across various industries.

She was, until recently, the Country People Lead for Accra Brewery PLC, a subsidiary of Anheuser-Busch InBev (ABInBev), a position she held for about five (5) years. Prior to that, she was the Legal and Compliance Manager of Voltic Ghana Limited and Accra Brewery PLC, when both organizations were subsidiaries of SABMiller.

Lilian previously worked as the Head of Employee Relations at Standard Chartered Bank, a role that enabled her to work in various markets across Africa. She also worked at the Gamey & Gamey Institute, a specialized human resources and industrial relations consulting firm, during which time she provided training in arbitration, mediation, and negotiation.

Lilian has been a consultant for a number of local businesses and multinational organizations. She has also provided support to the National Labour Commission (NLC) as a mediator and arbitrator for over a decade. In addition to that, Lilian has undertaken legal practice with Jan Chambers, a boutique law firm.

Lilian holds a Juris Doctorate (JD) from The Ohio State University, Moritz College of Law, and a Practicing Law License from the Ghana School of Law. She also has a B.Sc. (Hons) in Agric. Economics from the Kwame Nkrumah University of Science and Technology, and a Diploma in Business Practice from the Henley Business School

Mrs. Akosua Ampofowah Boahen has 29 years' working experience, mainly in the banking and telecommunication sectors.

Akosua joined Prudential Bank in August 2006 and has held various roles in business development, marketing communication, and customer service. She was appointed Head of Marketing and Corporate Affairs in March 2012.

Prior to joining Prudential Bank, Akosua worked for the then Ghana Telecom (now Telecel Ghana) for 10 years in roles including Programs Manager, Commercial Manager for fixed network services, and Senior Manager in charge of customer service.

Akosua holds a Master of Arts degree in Public Relations obtained from the Ghana Institute of Journalism. She also possesses a Master of Business Administration in Marketing from the University of Ghana Business School and a Bachelor of Science in Social Sciences (Economics and Law) from the Kwame Nkrumah University of Science & Technology, Kumasi.

Report of the Directors

The Directors submit their report together with the consolidated and separate financial statements for the year ended 31 December 2024.

Directors' Responsibility Statement

The Directors are responsible for the preparation of the financial statements that give a true and fair view of Prudential Bank LTD standing alone and its subsidiaries (together called the "Group"), comprising the statements of financial position as at 31 December 2024, the statements of comprehensive income for the year ended 31 December 2024, the statements of changes in equity and the statements of cash flows for the year and notes to the financial statements, which include a summary of material accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting 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 Specialized Deposit-Taking Institutions Act, 2016 (Act 930). In addition, the Directors are responsible for the preparation of the Report of the Directors.

The Directors are also responsible for such internal controls as they determine are 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 internal control system and risk management. The Directors have assessed the ability of the Group to continue as going concerns and have no reason to believe that the business will not be a going concern in the year ahead.

The Auditor is responsible for reporting on whether the financial statements give a true and fair view in accordance with the applicable financial reporting framework.

Financial results and dividend

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

31 December	**2024**	2023
	GH¢'000	GH¢'000
Loss before tax is	**(256,654)**	(604,631)
from which is (deducted) tax of	**-**	194,989
giving a loss after tax for the year of	**(256,654)**	(409,642)
Transfer to **credit** risk reserve	**(202,086)**	-
Less net transfer to statutory reserve fund and other reserves of	**-**	194,422
leaving a balance of	**(458,740)**	(215,220)
to which is added a balance brought forward on retained earnings of	**(679,458)**	(464,238)
leaving a balance of	**(1,138,198)**	(679,458)

The results of operations for the year ended 31st December 2024 are set out in the separate and consolidated statements of comprehensive income, separate and consolidated statements of financial position, separate and consolidated statements of cash flows, separate and consolidated statements of changes in equity and the separate and consolidated notes to the financial statements from page 50 – 144.

The Directors are unable to recommend the payment of dividend in respect of the year ended 31 December 2024 (2023: Nil).

Nature of business

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

Interest in other body corporates

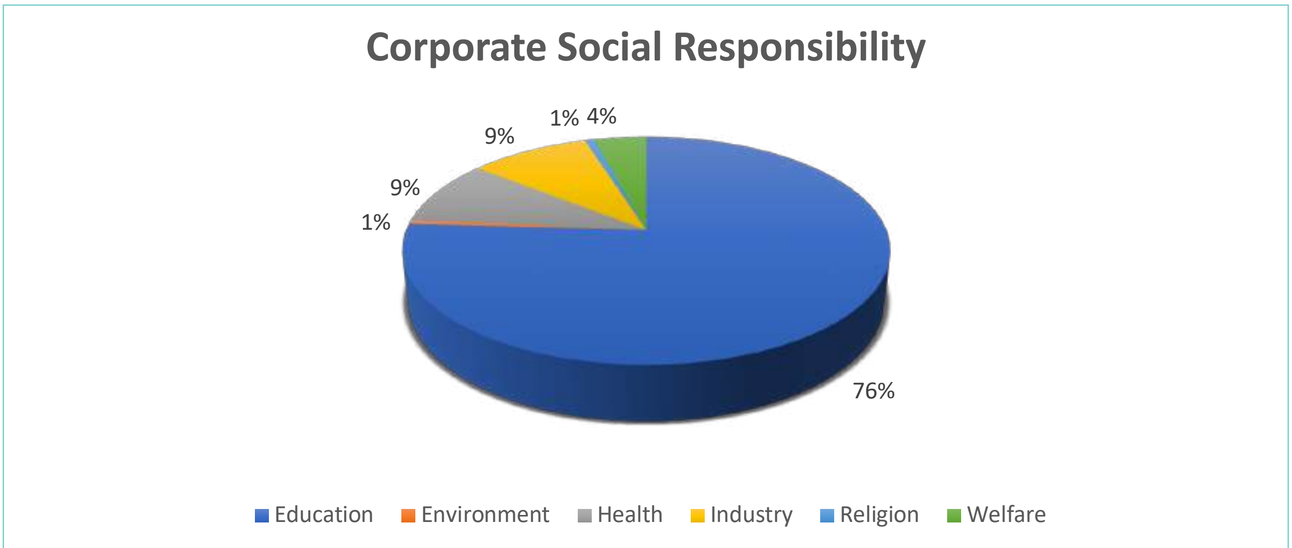
The subsidiary company of the Bank, Prudential Securities LTD was incorporated in Ghana and is wholly owned by the Bank. The Company is engaged in fund management services, corporate finance, and business advisory services.

Corporate Social Responsibility Initiatives

Prudential Bank recognizes that actively engaging with and contributing to our host communities is not merely a social responsibility, but an essential driver of long-term value creation for the Bank and our stakeholders. Our corporate social responsibility (CSR) initiatives are the embodiment of this commitment, forming a vital social contract that guides our interactions and investments within the communities we serve.

We are deeply passionate about community development and dedicated to addressing the economic, social, and environmental needs of our neighbours. To ensure the effectiveness and sustainability of our CSR efforts, we prioritize strategic initiatives with long-term impact. These initiatives are guided by six fundamental pillars, which we believe are the cornerstones of community development and prerequisites for sustainable economic prosperity: Education, Health, Environment, Religion, Industry, and Social Welfare.

In the year under review, we invested GHS1.36 million in CSR initiatives, with each pillar receiving dedicated support as outlined in the accompanying diagram. We firmly believe that our CSR programmes and initiatives contribute meaningfully to the overall well-being and growth of our host communities. We remain unwavering in our commitment to making a positive impact, fostering sustainable partnerships, and building a brighter future for all.



Sustainability

The 2024 financial year saw a continuous implementation of our tenets of sustainability aimed at achieving the ideals of the Sustainable Development Goals, Paris Agreement on Climate Change as well as the Ghana Sustainable Banking Principles.

In our quest towards contributing to the promotion of sustainable economic growth, we have systematically incorporated Sustainability and made strides with respect to the following;

- Recycling of twelve (12) Tonnes of wastepaper to 3150 pieces of tissue for use by Staff as part of our Resource Efficiency Initiative:
- Introduction of PBL's waste segregation initiative dubbed "Bin it right, Keep PBL bright" which allowed for the collection of 300Kg of plastic waste for recycling.

- Introduction of tools to measure consumption of Paper, Water and Electricity bank-wide to manage costs and enable us to track our carbon footprint.
- Commenced Energy Audit of our Head Office and Annex buildings as well as selected branches to help institute Energy Efficiency Measures.
- Promoting gender equality by empowering female employees to take up leadership roles through our women empowerment programs.
- Building capacity and empowering Management and the Board of Directors to Champion ESG initiatives.

This stands as a testament to our resolve to do our business of banking in a manner that takes into consideration the needs of the current generation without compromising the ability of future generations to meet their needs.

Audit fee

Audit fee for the year ended 31 December 2024 is disclosed in Note 13 to the financial statements.

Interest register

There were no new entries in the Interest Register during the period under review.

Capacity of directors

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

Directors

The names of the directors who served during the year are provided on page 15. No director had any interest at any time during the year, in any contract of significance, other than a service contract with the Bank. No director had interest in the shares of the Bank.

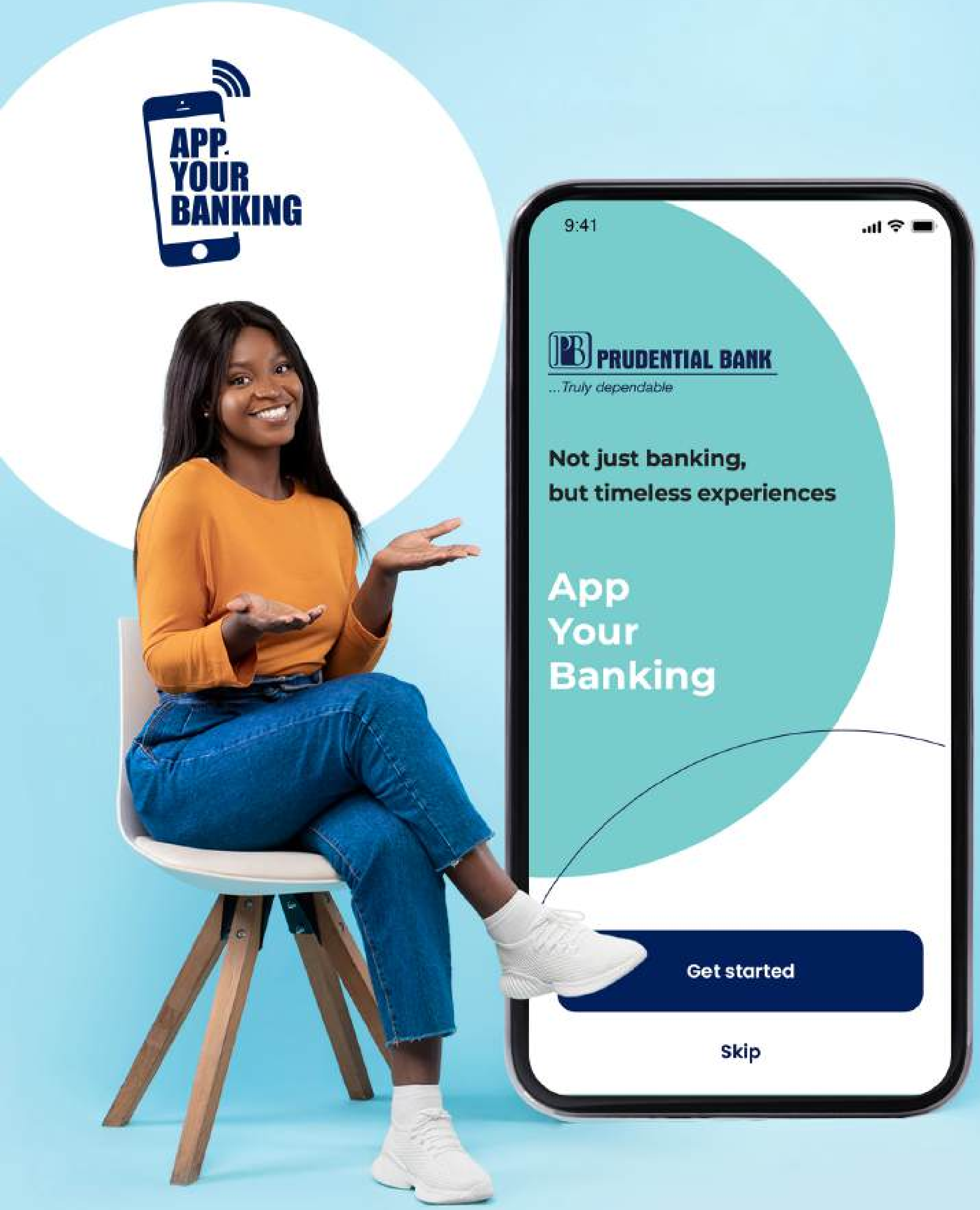
Auditor

The auditor, PricewaterhouseCoopers, will 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).

Muriel Susan Edusei (Mrs)
Chairperson

Bernard Gyebi
Managing Director

Seamlessly manage your money from anywhere with the **PBL Mobile App.**



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Corporate Governance Framework

Corporate governance relates to the systems, rules, processes and laws by which businesses are operated, regulated, directed and controlled with the view of achieving the long-term goals of the organisation while maintaining the right balance with stakeholders' interests. The stakeholders comprise both internal and external parties.

Corporate Governance practice

The Bank is guided in its Corporate Governance practices mainly by the Bank of Ghana, through the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) and Corporate Governance Directive 2018. The Bank's Corporate Governance philosophy encompasses not only regulatory and legal requirements, but also various internal rules, policies, procedures and practices established by the Board and anchored on the best practices of both local and international banks.

Key principles the Bank's Corporate Governance considers critical for the achievement of long-term objectives are transparency and accountability, backed by a strong system of internal controls, compliance, risk management and information system capabilities.

Board of Directors

The Bank's Board of Directors consists of seven (7) non-executive directors, including the Board Chairperson, and one (1) executive director—the Managing Director.

The Board approves the strategic plan and annual budget of the Bank through a rigorous review process to ensure that the corporate, functional, and business level strategies are cogent, clear and feasible.

In addition, the Board regularly monitors and evaluates the Bank's performance at a Sub-Committee level and at the main Board to ensure that the strategic goals and objectives of the Bank are achieved.

The Board performs these functions in line with its clearly defined responsibilities of governance, accountability, and business performance.

Role of the Board of Directors

The Board of Directors have oversight responsibility for the long-term success of the Bank. They determine the strategic direction of the Bank and ensure that strategies are cascaded through Executive Management to all departments and strategic business units of the Bank for optimal performance. The Board ensures that the Bank's operations fairly combine commercial, risk management and control objectives to ensure that the risk-adjusted return on investment meets regulatory and shareholders' expectations.

The Board exercises its agenda by delegating strategy execution to the Managing Director who works with the Executive Committee (EXCO) to achieve the Bank's objectives.

Appointment of Directors

The members of the Board are appointed in accordance with the provisions of the Companies Act, 2019 (Act 992), the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), the Corporate Governance Directive, 2018 and other applicable directives. No new directors were appointed for the year 2024.

Corporate Governance Framework - cont'd

S/N	Name of Board Member	Designation	Qualification(s)	Expertise	Other Directorship/ Professional Engagement
1	Mrs. Muriel Susan Edusei	Chairperson (Independent Non-Executive Director)	BSc Business Administration, (Accounting Option) MBA (Finance)	Banking and Finance, Corporate Governance, Corporate Restructuring	None
2	Mr. Bernard Gyebi	Managing Director	MBA (Risk Management & Investment) / PGD (Corporate Management & Finance) / B.Sc. (Planning).	Banking & Finance/ Risk Management	- Pristine Solutions
3	Mr. Daniel Asah Kissiedu	Non-Executive Director	MBA (Finance)/ B.Sc. (Planning)	Banking/ General Business	- Compass Prime Ltd - Clean Energy Capital Care
4	Mr. Daniel Larbi-Tieku	Independent Non-Executive Director	BSc Admin (Accounting), FCCA, FCA	Accountancy/ Finance/ Insurance	- Enterprise Group PLC - Enterprise Life Assurance Limited - Enterprise Insurance Company Ltd - Acacia Health Insurance
5	Mrs. Juliana Addo-Yobo	Independent Non-Executive Director	LLB, QCL, B.A. (Psychology)/ Dip (Human Resources)	Lawyer/ Corporate Governance/ Gender Advocacy	- SSNIT - (Labadi Beach Hotel) - Ghana Supply Company
6	Mrs. Victoria Barth	Non-Executive Director	LLB, LPC, QCL	Lawyer/ Ethics/ Advocacy	- Adehye Nsuo Ltd - Axcero Advisors Ltd - Timber & Transport Co. Ltd - SOS Children's Villages Ghana LBG
7	Mr. Ofotsu Tetteh-Kujorjie	Non-Executive Director	Master of Laws (Taxation) / Juris Doctor / Master of Engineering (Industrial Engineering & Operations Research – Information Technology Specialization) / B.S. (Industrial Engineering & Operations Research)	Tax & Corporate Law/ Engineering/ Business & Public Policy	- Terra Strategies Global Ltd - Power GIIF Ltd

S/N	Name of Board Member	Designation	Qualification(s)	Expertise	Other Directorship/ Professional Engagement
8	Rev. Prof. Peter Ohene Kyei	Non-Executive Director	PhD – Development Geography/MSc – Regional Planning/BA (Hons) Geography with Economics	Administration/ Education/ Pastoral Leadership	- Bible Society of Ghana - Entrance University of Health Science - Environment & Sanitation Cluster (Jospong Group)
9	* Mr. Felix Kwesi Duku	Non-Executive Director	PGC Business Administration PGD Advanced I.T Digital Strategy for Business BSc. Computer	Information Technology/Cyber Security/ Banking	- Duku Consulting LTD

Mr. Felix Kwesi Duku retired from the Board in July 2024.

Composition of the Board, Director Profiles, and External Engagements

The Board currently comprises eight (8) members, including the Managing Director (an executive director) and seven (7) non-executive directors, all of whom are Ghanaian citizens. Notably, three (3) non-executive directors, including the Board Chairperson, are classified as independent, exceeding the 30% minimum threshold stipulated by the Corporate Governance Directive, 2018.

The Board brings together a diverse mix of expertise spanning Banking and Finance, Information Technology, General Business, Accountancy, Law, Entrepreneurship, and Corporate Governance. This diversity ensures comprehensive oversight and informed decision-making.

Given the significant time commitment required of Board members, the Corporate Governance Directive, 2018 mandates that directors may not hold more than five (5) concurrent directorships across financial and non-financial institutions, including offshore entities. Directors are also required to proactively manage conflicts of interest in line with the Banks & Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

A maximum of two (2) Related Persons should be allowed to serve on the Boards of the RFI and the financial holding company.

Separation of Chairman and Managing Director roles

In accordance with the Corporate Governance Directive, 2018, the Bank maintains a clear separation between the Board Chairperson and the Managing Director roles. There are clear and defined roles and responsibilities of the Chairperson and the Managing Director.

Meetings of the Board of Directors

The Board held 22 meetings during the year 2024. The attendance record of individual directors at Board meetings held in 2024 is shown in the table below:

Name of Board Member		Status	Scheduled meeting	Ad-hoc Meeting
1	Mrs. Muriel Susan Edusei	Chairperson (Independent Non-Executive Director)	13/13	9/9
2	Mr. Bernard Gyebi	Managing Director	12/13	9/9
3	Mr. Daniel Asah Kissiedu	Non-executive Director	13/13	9/9
4	Mr. Daniel Larbi-Tieku	Independent Non-executive Director	12/13	9/9
5	Mrs. Juliana Addo-Yobo	Independent Non-executive Director	13/13	9/9
6	Mrs. Victoria Barth	Non-executive Director	12/13	7/9

Name of Board Member		Status	Scheduled meeting	Ad-hoc Meeting
7	Mr. Ofotsu Tetteh-Kujorjie	Non-executive Director	13/13	9/9
8	Rev. Peter Ohene Kyei	Non-executive Director	13/13	8/9
9	*Mr. Felix Kwesi Duku	Non-executive Director	7/7	4/4

Note: The numerator denotes the number present whilst the denominator denotes the expected number of attendances.

The Bank maintains a Conflict-of-Interest Policy which seeks to protect the interest of the Bank, promote honest and ethical conduct, as well as provide the guidelines and procedures for handling conflict of interest situations. The Board maintains an up-to-date register for documenting and managing conflict of interest situations where members declare matters that are potential sources of conflict of interest.

External evaluation of the Board

The Board's effectiveness is evaluated by the quality of its annual plan, meetings, information design, policy direction, performance monitoring, risk management and controls, as well as governance structures. The Board Performance Evaluation report along with recommendations and key findings were submitted to Bank of Ghana. Recommendation from previous assessments have been thoroughly considered and are actively being addressed through targeted actions. Defined timelines have been established to ensure these key findings are effectively implemented and monitored for progress.

Board Committees

The Board of Directors executes its functions through various committees which have been established in accordance with statutory requirements. Each committee has well defined Terms of Reference to guide their functions. The Committees consider only matters that fall within their purview to avoid decision overlaps. The Committees of the Board meet quarterly but may hold extraordinary meetings to address urgent issues that may arise. The Board of Directors confirms that the Bank's control environment, comprising its systems, procedures, and compliance levels, was adequate during the year under review. The Internal Audit Department's comprehensive approach to risk assessment and assurance played a significant role in achieving this outcome.

The Board has the following six (6) committees, each with distinct responsibilities:

- Audit Committee
- Risk Committee
- Credit Committee
- Ethics & Compliance Committee
- Cyber & Information Security Committee
- Nomination/Human Resources & Governance Committee

Audit Committee

In accordance with Section 56 of the Bank's and Specialised Deposit-Taking Institution Act 2016(Act 930), an Audit committee comprising members of the Board and Chaired by an Independent Director, has been established. The Audit Committee assists the Board in fulfilling its oversight responsibility of assurance that policies, processes, systems and structures are in place in line with best practice and are working well at all levels of the Bank.

The purpose of the Audit Committee is to:

- Assist the Board in its oversight of the Bank's internal and external audit functions.
- Advise the Board on the integrity of the Bank's financial reporting, including supporting the Board in meeting its responsibilities regarding financial statements.
- Monitor, on behalf of the Board, the effectiveness and objectivity of internal and external auditors.
- Provide input to the Board in its assessment of enterprise risk and determination of risk appetite as part of the overall Risk Management Strategy.
- Assist the Board in its oversight of the risk management framework and governance.

The composition and meeting attendance of the Audit Committee during the year is outlined below.

	Member	Status	Scheduled Meeting	Ad hoc Meeting	Date appointed to the Committee
1	Mr. Daniel Larbi-Tieku	Independent Non-executive Director (Chair)	10/10	1/1	May 2020
2	Mrs. Juliana Addo-Yobo	Independent Non-executive Director	10/10	1/1	May 2020
3	Rev. Peter Ohene Kyei	Non-executive Director	10/10	1/1	August 2020
4	*Mr. Felix Duku	Non-executive Director	5/5	N/A	August 2021

Note: Numerator denotes the number present whilst the denominator denotes the expected number of attendances.

Risk Committee

The purpose of the Risk Committee is to assist the Board of Directors to define the Bank's risk appetite and overall Risk Management Strategy. The committee ensures that senior management and all departments of the Bank are answerable to the Board for risk exposures across the Bank.

The role of the Committee includes:

- Oversight of the Bank's risk management framework, including the policies and procedures used in managing credit, market, operational and other risks.
- Oversight of the Bank's policies and procedures relating to risk management.
- Oversight of the performance of the credit review function of the Bank.
- Oversight of the operational risk function of the Bank.
- Ensure that Management has established practices and procedures relating to self-dealing, insider trading and personal loans, as required by law and approves the code of conduct and the code of ethics.
- Advise the Board on matters relating to Compliance risk management which includes AML/CFT & P risk management on a periodic basis.

The composition and meeting attendance of the Risk Committee during the year is outlined below.

	Member	Status	Scheduled Meeting	Ad hoc Meeting	Date appointed to the Committee
1	Mr. Daniel Asah-Kissiedu	Non-executive Director	5/5	Nil	May 2020
2	Mrs. Juliana Addo-Yobo	Independent Non-executive Director (Acting Chair)	5/5	Nil	May 2020
3	Mr. Ofotsu Tetteh-Kujorjie	Non-executive Director	4/5	Nil	August 2020
4	*Mr. Felix Duku	Non-executive Director (Former Acting Chair)	2/2	Nil	August 2021

Note: Numerator denotes the number present whilst the denominator denotes the expected number of attendances.

Nominations/Human Resources & Governance Committee

The Nominations/Human Resources & Governance Committee, a standing committee of the Board, comprises four (4) non-executive directors. It was established as an integral part of the Bank's governance framework, tasked with providing strategic advice and overseeing the nominations/human resources and governance functions of the Board. The Committee leads the appointment process, ensuring plans are in place for orderly succession to both Board and senior management positions.

The Committee's responsibilities are as follows:

- Recommending to the Board individuals who are qualified for election or re-election as directors.

- Advise the Board on matters relating to governance principles, monitoring developments in corporate governance, and adapting best practices to the needs and circumstances of the Bank.
- Oversees and coordinates environmental, social, and governance (ESG) matters at the Board and its Committees, including ESG reporting and the Bank's approach to corporate citizenship.
- Act as the compensation committee of the Board with responsibility to advise the Board on compensation risk management.
- Provide recommendations to the Board regarding the compensation of the Managing Director in light of the evaluation of his performance against approved performance indicators relevant to his compensation.

The composition and meeting attendance of the Nominations/Human Resources & Governance Committee during the year is outlined below.

	Member	Status	Scheduled Meeting	Ad hoc Meeting	Date appointed to the Committee
1	Mr. Daniel Asah Kissiedu	Non-executive Director (Chair)	5/5	1/1	July 2020
2	Mr. Daniel Larbi-Tieku	Non-executive Director	5/5	1/1	May 2020
3	Mrs. Victoria Barth	Non-executive Director	5/5	1/1	May 2020
4	Rev. Peter Ohene Kyei	Non-executive Director	5/5	1/1	October 2021

Note: Numerator denotes the number present whilst the denominator denotes the expected number of attendances

The range of subjects discussed during meetings of the Nominations/Human Resource & Governance Committee in 2024 included the following:

- Quarterly human resource reports;
- Revision of the Bank's human resource policies;
- Performance review of Key Management Personnel;
- Collective Bargaining Agreement (CBA) negotiations with the Industrial and Commercial Workers Union (ICU); and
- Year-end tasks and 2025 work plan of the Nominations/Human Resource & Governance Committee.

The Committee will continue to consider the following as part of its 2025 work plan

- Quarterly human resource reports;
- Collective Bargaining Agreement (CBA) negotiations with the Industrial and Commercial Workers Union (ICU);
- Oversee the annual performance review of the Board as a whole and its committees;
- Providing updates to the Board, as appropriate, on significant human resources related issues within the Bank.

Credit Committee

The Credit Committee is responsible for oversight of the credit risk. The primary responsibilities of the Committee are to:

- Review and approve the Credit Policy and Procedure manual.
- Review and discuss any significant internal audit findings related to the Credit function.
- Review and evaluate the adequacy of the work performed by the Heads of Credit and ensure that they are independent and have adequate resources to perform their duties.
- Review and approve credit facilities of the Bank.
- Review the provisioning methodology for credit losses and the adequacy of the Bank's provisions for credit losses.
- Approve credit exposures in line with the credit approval limits approved by the Board.
- Review and recommend write offs for Board and regulatory approval.

The composition and meeting attendance of the Credit Committee during the year is outlined below.

	Member	Status	Scheduled Meeting	Ad hoc Meeting	Date appointed to the Committee
1	Mr. Daniel Asah Kissiedu	Non-executive Director (Chair)	5/5	11/11	May 2020
2	Mrs. Victoria Barth	Non-executive Director	5/5	11/11	May 2020
3	Mr. Ofotsu Tetteh-Kujorjie	Non-executive Director	5/5	11/11	August 2020

Notes: Numerator denotes the number present whilst the denominator denotes the expected number of attendances

The range of subjects discussed during the Credit Committee meetings in 2024 included the following:

- Credit risk management issues;
- Recoveries from impaired accounts;
- The impact of economic conditions on credit facilities;
- Review of collaterals for top 100 facilities; and
- Year-end tasks and 2025 work plan of the Credit Committee.

In 2025, the Committee will continue to consider the following as part of its work plan:

- Credit risk management issues
- Recoveries from impaired accounts
- Asset quality concerns

The impact of economic conditions on credit facilities.

Ethics & Compliance Committee

The Ethics & Compliance Committee is a standing committee of the Board consisting of an independent non-executive director and three (3) non-executive directors. The purpose of the Ethics & Compliance Committee is to assist the Board in fulfilling its oversight responsibilities on compliance and ethics matters set out in the Corporate Governance Directive 2018, the Companies Act, 2019 (Act 992), the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) and other regulatory requirements and best practices specifically in the following areas:

- Supporting the Board to promote the Bank's vision, values, conduct, and culture.
- Overseeing Management's efforts to foster a culture of ethics and appropriate conduct within the Bank.
- Overseeing the Bank's conduct concerning its corporate and societal obligations, including setting the direction and policies for the Bank's approach to customer and regulatory matters.
- Overseeing the effectiveness of the Bank's Whistle Blowing Procedures.
- Guiding in matters of possible, actual, or potential conflicts of interest, or other ethical aspects of conduct regarding Directors, Management, and staff.

The membership of the Ethics & Compliance Committee and attendance record of the members at committee meetings in the year 2024 are as follows:

	Member	Status	Scheduled Meeting	Ad hoc Meeting	Date appointed to the Committee
1	Mrs. Victoria Barth	Non-executive Director (Chairperson)	5/5	Nil	May 2020
2	Mr. Daniel Asah Kissiedu	Non-executive Director	5/5	Nil	May 2020
3	Rev. Peter Ohene Kyei	Non-executive Director	5/5	Nil	August 2020

Note: Numerator denotes the number present whilst the denominator denotes the expected number of attendances

The range of subjects discussed during the Ethics & Compliance Committee meetings in 2024 included the following:

- Regulatory compliance and ethical matters of the Bank;
- Quarterly reports on the Bank's compliance status;

- The Compliance Department's performance for year 2024;
- Complaints reports submitted to the Bank of Ghana under the Consumer Recourse Mechanism;
- Review of the Bank's revised Anti-Bribery and Corruption and Conflict of Interest Policies;
- Review of the Compliance Programme for year 2025; and
- Year-end tasks and 2025 work plan of the Ethics & Compliance Committee.

Going forward, the Committee will be considering, among others:

- Quarterly reports on regulatory compliance
- Regulatory compliance and ethical matters of the Bank

Cyber & Information Security Committee

The Cyber & Information Security Committee is a standing committee of the Board comprising four (4) non-executive directors. The Committee assists the Board to fulfil its oversight responsibilities concerning the Bank's cyber and information security and regulatory conformance in the following areas:

- Advising the Board on its oversight responsibility for the determination of the cyber and information security strategy;
- Overseeing the management of the overall information technology risks inherent in the operations of the Bank including the strategies, policies, standards, procedures, and systems established by the Bank to identify, assess, measure, and manage these risks;
- Ensuring the adequacy of the Bank's cyber and information security policies and strategies.

The membership of the Cyber & Information Security Committee and attendance record of the members at committee meetings in the year 2024 are as follows:

	Member	Status	Scheduled Meeting	Ad hoc Meeting	Date appointed to the Committee
1	*Mr. Felix K. Duku	Non-executive Director (Former Chair)	3/3	NIL	August 2021
2	Mr. Daniel Asah Kissiedu	Non-executive Director	5/5	NIL	July 2020
3	Mr. Ofotsu Tetteh-Kujorjie	Non-executive Director (Ag. Chair)	5/5	NIL	August 2020
4	Mrs. Juliana Addo-Yobo	Non-executive Director	5/5	NIL	October 2021

Note: Numerator denotes the number present whilst the denominator denotes the expected number of attendances

The topics discussed during the Cyber and Information Security Committee meetings in 2024 encompassed:

- The Cyber & Information Security posture of the Bank
- Information Security Management System (ISMS) Policies and Procedures compliant with ISO/IEC 27001:2023
- The Bank's PCI DSS and ISO 27001 certification
- The Bank's business continuity and disaster recovery readiness
- The Bank's ICT budget
- Cyber & Information Security audit reports
- Performance Review of the Bank's Retail/Business Digital Products
- Cyber Security Incident Reports
- Year-end tasks and the 2025 work plan of the Information Security Department and the Cyber & Information Security Committee.

Going forward, the Committee will be considering, among others:

- The Cyber & Information Security posture of the Bank
- The Bank's business continuity and disaster recovery readiness
- The Bank's ICT budget
- Cyber & Information Security audit reports
- Performance Review of the Bank's Retail/Business Digital Products

Non-compliance Issues

- 'A review of the membership of the Bank's Board Credit Committee (first line of defence), whose mandate includes credit approvals, revealed that two members also serve on the Board Risk Committee (second line of defence), which is mandated to undertake risk assessment.

- A review of the Bank's Related Party Transactions revealed outstanding non-performing loans owed by shareholders of the Bank. The failure of these shareholders to meet their loan obligations undermines good corporate governance practices, increases loan loss provisioning, reduces profitability, and poses a threat to the Bank's solvency.

The Board is taking necessary steps to resolve the issues by expanding its membership, subject to Bank of Ghana's approval, to ensure clear separation between the Credit and Risk Committees. Regarding related-party loans, the Board is engaging affected shareholders to resolve outstanding obligations and is enhancing credit risk management practices to protect the Bank's financial health.

Succession planning

In 2024 The Board approved a revised Succession Planning Policy, for the Managing Director, Executive Heads and Critical Roles aimed at ensuring that the Bank delivers continued effective performance through leadership continuity.

Internal Control

The Board of Directors at Prudential Bank assumes full responsibility for establishing and maintaining a robust system of internal controls. This system is designed to:

- Guarantee effective and efficient operations: Ensuring compliance with all applicable laws and regulations.
- Maintain effective risk management practices: By regularly reviewing and refining the Bank's risk management systems.
- Deliver on strategic objectives: By determining the acceptable level and types of risks the Bank is prepared to undertake in achieving its strategic goals.

This comprehensive system of internal controls prioritizes mitigating risks to an acceptable residual level, providing reasonable assurance against material misstatements, fraud, and errors.

The effectiveness of our internal controls is closely monitored and assessed through a multi-pronged approach:

- The Audit and Risk Committees of the Board regularly review and evaluate the adequacy and effectiveness of the internal control system.
- The Internal Audit Department actively provides reports to the Board and Executive Management on the quality and effectiveness of internal controls across the Bank.

Furthermore, the assessment process encompasses the following key elements:

The Board actively participates in discussions and approves the Bank's strategic direction, plans, objectives, and the associated risks.

The Board meticulously reviews and approves the Bank's budget and operating plans, including all capital and operational expenditure items.

Management and the Board regularly conduct operational and financial reviews, measuring performance against established budgets and forecasts.

Significant risks facing the Bank and appropriate mitigation measures are consistently discussed and evaluated.

The Audit Committee and management regularly review the scope and results of internal audit work throughout the Bank. This scope, encompassing key Bank activities, is annually approved by the Board.

Any instances of fraudulent activity and whistleblowing reports are thoroughly reviewed, and necessary actions are taken to address any control weaknesses.

The Board reviews the scope of work for external auditors and addresses any significant issues arising from their examinations.

This comprehensive system of internal controls and risk management is seamlessly integrated into all aspects of the Bank's operations. Identified weaknesses are promptly addressed through corrective actions, ensuring the continual evolution and enhancement of our control environment.

Board & Board Committees: 2025 Workplan

The Board and its Committees will oversee key governance, financial, and strategic matters throughout 2025.

In the first quarter, Committees will review the Q4 2024 reports, covering credit risk, ethics and compliance, cybersecurity, and overall risk management. The Audit and N/HR/G Committees will assess financial and human capital matters, while the Board will approve the 2024 audited financials. The Board will undergo training on AML/CFT matters.

In the second quarter, the focus will be on governance and performance. The Board will approve the Q1 2025 unaudited financials, while various committees will review risk exposure, regulatory compliance, and cybersecurity. An Extraordinary General Meeting (EGM) will be held to address capital raise matters.

The third quarter will centre on risk and compliance oversight. The Board will approve the Q2 2025 reports, and committees will assess cybersecurity, AML/CFT compliance, and corporate governance. Risk and audit reviews will focus on operational risks and regulatory updates. The Annual General Meeting (AGM) will take place.

Board & Board Committees: 2025 Workplan

In the final quarter, the Board will approve the Q3 2025 financials and finalize the 2026 Budget & Operating Plan. Committees will review risk, compliance, and human resource policies, and the Board will undertake corporate governance and financial oversight training. The year will conclude with a strategic review of priorities and regulatory matters.

Benefits provided to directors

The benefits provided to directors are outlined in note 38.

Annual certification

The Board of Directors of Prudential Bank LTD certifies that, as of the date of this report, the Bank is largely in compliance with the provisions of the Corporate Governance Directive, 2018, with the exception of two areas of non-compliance reported above on page 22.

Furthermore, the Board affirms that:

- The Board has conducted an independent assessment of the Bank's corporate governance framework and confirms its effectiveness in supporting the achievement of the Group's strategic objectives.
- The Directors fully understand and uphold their governance responsibilities to Prudential Bank LTD.

To strengthen their expertise and enhance governance oversight, Board members participated in seven (7) specialized training programs in 2024, as detailed below:

- Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) Training – Conducted in February, June, and August 2024.
- Labour Management Training – Attended by members of the Nominations, Human Resource, and Governance Committee in April 2024.
- Corporate Governance Training for Directors of Market Operators – Facilitated by the Securities and Exchange Commission in July 2024.
- Credit Training – Conducted in August and September 2024.
- Corporate Governance Certification Training – Facilitated by the National Banking College in September 2024.

These capacity-building initiatives reflect the Board's ongoing commitment to maintaining the highest standards of corporate governance and ensuring effective oversight of the Bank's operations.

Board Members attended two training programs in the year. The programs were Corporate Governance Training and Anti-Money Laundering/Counter-terrorism financing and proliferation training as part of the annual capacity building programs provided to the Board by the National Banking College.

Induction of Key Management Personnel

In 2024, a formal induction process was conducted for newly appointed Key Management Personnel, including Mr. Randal Ofori-Boachie (Chief Risk Officer) and Mr. Edward Commey (Executive Head, Corporate and Institutional Banking). The induction was designed to ensure their alignment with the Bank's culture, values, and strategic goals. It included an introduction to staff and key departments, familiarization with the Bank's policies and procedures, and the setting of clear performance expectations through the signing of job descriptions and KPIs.

Remuneration Policies

Prudential Bank operates a single remuneration policy that applies to all employees, including executive management. The objective of this policy is to ensure that remuneration is aligned with the Bank's business strategy, consistent with best market practices, compliant with applicable labour laws, and supportive of sound and effective risk management.

The Board, through the Nominations/Human Resources & Governance (NHRG) Committee, exercises oversight over the design and operation of the Bank's remuneration framework. The Committee monitors the system to ensure that it does not encourage excessive risk-taking and is aligned with the Bank's long-term sustainability goals.

The Bank's remuneration system is designed to attract, retain, and motivate high-performing staff and executive officers while balancing fixed and variable pay to ensure prudent risk-taking and preservation of capital. Where applicable, variable remuneration is tied to individual and institutional performance, with safeguards in place to discourage practices that could compromise the Bank's risk profile.

The Nominations/Human Resources & Governance Committee includes at least one independent director. While not fully composed of independent directors, all decisions on director remuneration are subject to Board and shareholder scrutiny to ensure objectivity. The Managing Director, who is the only executive director of the Bank, has his remuneration package proposed by the NHRG Committee and approved by the full Board. Non-executive directors receive a fixed monthly fee and sitting allowances, which are reviewed annually and submitted for shareholder approval at the Annual General Meeting.

The Bank does not currently operate any share option scheme. Should this change, any such scheme would be tied to performance and subject to shareholder approval.

Executive remuneration is structured to support the Bank's long-term objectives and includes a balanced mix of short-term and long-term components to encourage sustainable performance.

Conflict of interest and related party transactions

The Bank has implemented a Conflict-of-Interest Policy as a vital part of its Corporate Governance Framework for board members. This policy sets out procedures for identifying, disclosing, preventing, managing, and mitigating conflicts of interest to maintain the integrity and independence of the board.

The Ethics and Compliance Committee oversees the application of the conflict-of-interest policy and assists in establishing controls and mitigation measures, as outlined in the conflict-of-interest register. Directors are required to disclose any transactions that may present a conflict with their responsibilities to the Bank, whether direct or indirect.

These disclosures must include comprehensive details about the nature, scope, and extent of the conflict or potential conflict and should be promptly communicated once the director becomes aware of the actual or potential conflict. The register meticulously documents all directors' conflicts of interest.

The Bank has established policies and procedures to ensure that all related party transactions adhere to the principle of arms' length and comply with the Banks and Specialized Deposit-Taking Institutions Act (Act 930). This is aimed at preventing any preferential treatment afforded to a related party. Details of related party transactions for the year ended 31 December 2024 are provided in Notes 38 of the financial statements.

Role of the Managing Director

The Managing Director (MD), being the Head of the Management team, is accountable to the Board and its Committees. He manages the bank in accordance with the prescribed policies, principles and strategic direction established by the Board, as well as rules, regulations, and guidelines from the Bank of Ghana and other regulatory authorities.

Responsibilities of the Managing Director

The main responsibilities and authorities of the MD are outlined below:

- Business development, operational efficiency, risk management and for institutionalising the right control systems, to achieve sustainable profitability in line with the Bank's short-, medium- and long-term goals and objectives.
- Ensuring that the Bank's brand and reputation are positive at all times and maintaining maximum compliance with all Board directives, policies and regulatory requirements.
- Ensuring that employees of the Bank are capable and committed to deliver value for the Bank and also creating an environment of continuous learning and capacity building to meet current and future requirements of best practice in banking.

Annual evaluation of the Managing Director by the Board

The Board of Directors define the roles and responsibilities of the Managing Director. The Managing Director is evaluated by the Board on the basis of goals set for the Bank at the beginning of each year. The annual financial budget and other job objectives are discussed, reviewed and finalised by the Board at the start of the financial year. The Board considers both financial and non-financial goals during the appraisal.

Evaluation based on financial performance

Financial performance evaluation focuses on balance sheet growth and profitability of the Bank. In addition to growth and profitability objectives, the Board sets portfolio quality (NPL) as well as efficiency targets in line with regulatory prudential ratios and internal policies.

Evaluation based on non-financial goals

The Managing Director is also evaluated on an ongoing basis based on non-financial goals which include but not limited to customer confidence (as reflected through continuous business growth), employee engagements, relationship of the Bank with regulators and the general stakeholder confidence.

Report on Board Evaluation

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 last Board Evaluation was for the 2023 review and the report was submitted to the BOG on the *7th of July, 2024* The evaluation was conducted by the Institute of Directors Ghana (IoD-Gh), in May and June 2024, using five (5) inter-related approaches for evidence gathering as follows:

- Meeting with the Board Chairperson to discuss the inception report and agree on the objectives, scope, methodology, deliverables, and timelines.
- Meeting with Board to explain the objectives scope, methodology deliverables, and timelines.
- Online surveys involving Board, Board Committees, Chairperson, Peer – to – Peer, and Board Secretary.
- One – on – One interviews with Board members.
- Review of existing governance documents, including Board charter, Committees' Terms of reference, Audit charter, policy documents, and other relevant documents.

The scope of the board performance evaluation encompassed a review of the following areas, along with recommendations and key findings sent to BOG.

- The Board's Compliance with the BoG's Structure and composition Directives
- Board Operation
- Board Chairperson's Performance Effectiveness
- Board Committees' Performance Effectiveness
- Individual Directors' Performance Effectiveness
- Board Secretary's Performance Effectiveness

The Board has engaged the Institute of Directors Ghana (IoD-GH) to assist the Board undertake a rigorous in-house self-assessment for 2024. The aim of the board self-assessment is to enhance the effectiveness of the Board. Specific objectives include:

- Assuring stakeholders (shareholders, regulators, and customers) of the Board's commitment to good governance.
- Assessing whether the Board is fulfilling its mandate adequately.
- Identifying gaps or weaknesses in the Board's performance and analysing the causes.
- Ascertaining members views on the Board and each other's performance.

Formulating an improvement plan to implement the recommended improvements.

Management Committees

The Bank has in place, other Management Committees to assist the Managing Director in the day to day running of the bank.

Executive Committee (EXCO)

The Executive Committee is chaired by the Managing Director. Membership of EXCO includes the Executive Head - Operations, Chief Finance Officer, Chief Risk Officer, Executive Head- Corporate and Institutional Banking, Head of Legal Services, Executive Head- Commercial and Retail Banking, Head of Human Resources, Head of Marketing and Corporate Affairs and the Chief Information Officer The Committee meets monthly but may hold emergency meetings to address urgent issues that may arise

The role of the Committee includes:

- Develop and implement the strategies and policies of the Bank.
- Manage the day-to-day business affairs of the Bank.
- Prioritise and allocate the Bank's capital, technical and human resources.
- Establish best management practices and functional standards.
- Maintain a Bank-wide system of internal control to manage all Enterprise risks.
- Maintain a Bank-wide legal compliance structure.
- Ensure the overall Functional and Business performance of the Bank are in line with the approve Strategy.

Assets and Liability Committee (ALCO)

The Assets and Liability Committee is chaired by the Managing Director. Other members include the Executive Head- Corporate and Institutional Banking, Head of Treasury, Chief Finance Officer, Chief Risk Officer, Head of Asset- Liability Management, Chief Credit Officer and the Head of Transaction Banking. The Committee meets monthly.

The role of the Committee includes:

- Review of the Bank's Assets and Liabilities to ensure proper matching of duration and margins.
- Liquidity Management.
- Review of key economic indicators and the impact on the Bank's Balance Sheet and profitability.
- Review cost of funds and other key ratios in relation to market developments and internal targets.

Operations Committee

The Operations Committee is chaired by the Executive Head- Operations. Other members include the Managing Director, Head of Treasury Operations, Chief Finance Officer, , Executive Head Retail & Commercial Banking, Chief Credit Officer, Head of Human Resources, Head of Compliance & AMLRO/CFT, Head of Technology, Chief Information Officer, Head of Banking Operations, Heads of eBanking, Head of Digital Transformation, Head of Marketing and Corporate Affairs, Head of General Services, Head of Administration, and Head of Trade Services.

The Committee meets bi-weekly.

The responsibilities of the Committee are to:

- Have oversight responsibility for the operations, administration and general development and review issues in relation to the operations of the Bank.
- Consider and review issues relating to the operations of the bank;
- Review policies, strategies and procedures of the bank's operations;
- Consider reports of business development activities, product performance and Marketing and Corporate Affairs and any other activity that affects the Bank's operations;

Systems of Internal Control

The Bank has well-established internal control systems for identifying, managing and monitoring risks. These are designed to provide reasonable assurance of effectiveness of operations, reliability of financial reporting and compliance with applicable laws and regulations.

The Internal Control and Audit functions of the Bank play key roles in providing an objective view and continuous assessment of the effectiveness and efficiency of the internal control systems. The systems of internal control are implemented and monitored by appropriately trained personnel and their duties and reporting lines are clearly defined.

Code of Business Ethics

Management has communicated the principles in the Bank's Code of Conduct to its employees in the discharge of their duties.

The Code defines the professionalism and integrity required for operations and covers compliance with the law, conflict of interest, environmental issues, reliability of financial reporting, and strict adherence to the principles so as to eliminate the possibility for illegal and unethical practices.

The Board has instituted a Code of Ethics which serves as a guide for board members to uphold the highest standards of ethical and professional conduct in their roles as stewards of the Bank. Board members must follow this Code and advocate its principles within the Bank Each director on the

Board is required to act in good faith in what he or she reasonably believes is in the best interest of the Bank, including its customers, shareholders, and employees. When making decisions, directors may rely on reports from sources such as Committees of the Board, Management of the Bank, and any external information that may be relevant to the issues under consideration. The Bank's Code of Ethics also includes provisions governing trading in its shares by Directors, Key Management Personnel, and employees, ensuring such activities are conducted ethically and without conflicts of interest. No such activity was conducted in 2024.

Management has ensured that all directors and employees have signed off as having read and understood the Bank's Code of Conduct and the sanctions for breaching the policy, thereby guiding them in the discharge of their duties. This code establishes the standards of professionalism and

integrity required for the Bank's operations, covering compliance with applicable laws, conflicts of interest, environmental issues, reliability of financial reporting, and bribery.

In 2024 the Board approved the revised Anti-Bribery and Corruption and Conflict-of-Interest Policies of the Bank, to ensure stringent compliance with established principles, by directors, Key Management Personnel, and employees, aimed at mitigating the risk of unethical behaviour and illegal practices.

Profile of Executive Management

No.	NAME	POSITION/TITLE	ACADEMIC QUALIFICATIONS	WORK EXPERIENCE
1.	Bernard Appiah Gyebi	Managing Director	• MBA, Imperial College, London, England, 2015 • Post-Graduate Degree in Corporate Management & Finance, University Paris Pantheon, Sorbonne, France, 2003 • BSc. Planning (University of Science and Technology, Kumasi), 1996	28 years' working experience out of which 26 years is in banking: • 1 year consulting with Harley Reed Consultancy (1997-1998) • 1 year with SSNIT as inspection officer • 8 years working in various roles/ department with Barclays Ghana Ltd (Branch Operations, Credit risk, Treasury, Corporate Banking, compliance) (1999 -2007) • 1 year with Stanbic Bank as Head of Credit • 8 years with ADB occupying various roles – (2010-2018) • Executive Head Credit risk • Chief Risk and Compliance Officer • 4 years with Republic Bank as General Manager Risk Management • Out of which 15 months was at the Group Head office in Trinidad &Tobago • Currently, Managing Director, appointed in February 2023 (1 year)
2.	Ebow Quayson	Executive Head, Commercial & Retail Banking	• Associate Member (AM 360), Chartered Institute of Marketing (Ghana), 2009 • EMBA (Marketing), University of Ghana Bus. School, Legon (2006) • BA (Economics & Political Science), University of Ghana, Legon (1997)	25 years' working experience of which: - • Designated Executive Head, Commercial & Retail Banking in 2024 • 4 years with Prudential Bank as Executive Head, Business • 1 year with Agric Development Bank as Head, e-Business. • 2 years with Omni Bank as Head, Business & Personal Banking • 5 years with First Atlantic Bank as Group Head, Retail Banking • 13 years with Standard Chartered Bank as Associate Director (Local Corporate, Corporate Banking & other roles • Joined PBL in July, 2020

No.	NAME	POSITION/TITLE	ACADEMIC QUALIFICATIONS	WORK EXPERIENCE
3.	Nana Offei Djan	Head, Legal Services Department	• Qualifying Certificate in Law, Ghana Law School (2003) • BA (Political Science & Sociology), University of Ghana, Legon (1998)	23 years' working experience of which 15 years has been with Prudential Bank • Appointed as Acting Head, Legal Services in July 2020 • 3 years' experience with the Ghana Prisons Service (civilian employee) as Legal Officer • 1 year experience with Archer & Co. as Legal Officer • 3 years' experience with Messrs. Kye & Co. as a Legal Officer • Joined Prudential Bank in January, 2009
4.	Alison Ann Debrah	Board Secretary & Head, Administration Department	• ICSA Qualified, The Chartered Governance Institute, U.K. (August 2019) • Chartered Public Finance Accountant (CIPFA – U.K.), 1996 • BSc. (Economics & Accountancy), The City University, London, 1991	30 years' working experience • Appointed as Head, Administration in September 2020 and as Acting Board Secretary in November 2020 • 4 years' experience with Prudential Bank Limited. As Acting Company Secretary and Acting Head, Administration Dept. • 3 years with Bayport Savings & Loans PLC as Head, Corporate Governance • 9 years with CFC Savings & Loans Ltd. As General Manager, HR • 7 years as Managing Director of Credit Mall Ltd. • A few months with KPMG as Supervising Senior • 7 years with London Borough of Sutton as Group Accountant and other roles • Joined Prudential Bank in March, 2020
5.	Seth A. Kyeremeh	Head, Treasury	• Fellow, ACCA, March 2013 • EMBA, Finance, University of Ghana, Legon, December 2008 • BSc. Admin. Accounting University of Ghana, Legon, June, 2000	22 years' working experience in • Appointed as Head, Treasury in June 2008 with rich experience in - Banking - Finance - Investments - Accounting - Pensions and Custodial Services • Joined Prudential Bank in Feb 2003

Corporate Governance Framework – cont'd

No.	NAME	POSITION/TITLE	ACADEMIC QUALIFICATIONS	WORK EXPERIENCE
7	Frank Kwabena Kommey	Chief Finance Officer	• ACCA – Member, Association of Chartered Certified Accountants, 2011 • BSc. Administration (Accounting), University of Ghana, Legon, 2008 • MBA, University of East London, 2022	16 years' working experience. • Appointed Chief Finance Officer in May 2021 • 9 years' experience with Zenith Bank as follows: - Financial Controller - Deputy Financial Controller - Lead, Financial & Regulatory Reporting - Financial Analyst - Resident Controller, Custodian Banking - Internal Auditor • 3 years with PwC Ghana as an Experienced Associate, specializing in Financial Services assurance engagements.
8	Lilian Antwiwaa Asante	Head, Human Resources	• Juris Doctorate, College of Law – 2005 • Ghana School of Law, Practicing License, 2014 • BSc. Agriculture, 1998 • Diploma in Business Practices, 2017	19 Years' experience as follows: • 5 years as the Managing Partner of Asante Law Firm, LLC • 2 years as Labour & HR Consultant/ Mediator/Trainer • 2 years with Standard Chartered as Head, Employee Relations • A year with Oak Plaza Group of Hotels as the Corporate Secretary/HR & Organizational Development Consultant • 8 months with JAN Chambers • 7 years with Accra Brewery as follows: - Legal & Compliance Manager - Country People Lead/Director • Currently head of HR with Prudential Bank, appointed November 2023
9	Akosua Ampofowah Boahen	Head Marketing & Corporate Affairs Department	• Master of Business Administration Marketing, University of Ghana Business School, 2004 • Bachelor of Arts Social sciences, Economics & Law, 1993 • Certificate in Telecom. Service Management, 1999	25 years' working experience of which: • 10 years' experience with Vodafone Ghana, Head customer complaints management • 2 years as deputy planning officer with National Development Planning Commission attached to Ga District Assembly. Joined Prudential Bank in August 2006

No.	NAME	POSITION/TITLE	ACADEMIC QUALIFICATIONS	WORK EXPERIENCE
10	Edward Commey	Executive Head, Corporate & Institutional Banking	• Master of Business Administration Finance, 2006 • Bachelor of Arts Economics, 1998 • Member, Chartered Institute of Bankers, 2003	19 years' working experience. • 5 years' experience with Consolidated Bank Ghana as follows: - General Manager, Institutional Banking - General Manager, Corporate Banking • 10 years' experience with Stanbic Bank as follows: - Sector Head, Financial Institution & Diversified Industries - Sector Head, Consumer & Diversified industries - Sector Head, Manufacturing and fast-moving consumer goods - Senior Relationship Manager • 1 Year with Barclays Bank • 2 Years with SG-SSB Bank. • Currently Executive Head, Corporate and Institutional Banking, appointed in March 2024
11	Randal Ofori-Boachie	Chief Risk Officer	• MSC Development Finance, 2021 • BSc. Administration (Banking & Finance), 2003 • Fellow, ACCA, 2003 • Member, ACI – Financial Markets Association, Operations Certificate, 2015	21 years' working experience • 3 years' experience with PricewaterhouseCoopers Ghana as follows: - Associate, Assurance and Business Advisory Services - Senior Associate, Assurance and Business Advisory Services • 10 years' experience with Zenith Bank is as follows: - Head, Head Office Audit - Head, Branch Audit - Team Lead, Risk Management & Compliance Financial Control & Strategic Planning - Head, Risk Management - Chief Risk Officer • 3 years as Chief Risk Officer for Sovereign Bank Limited • 2 years with Consolidated Bank Ghana as follows: - Supervising Head - Head, Market & Operational Risk • 1 year as Chief Internal Auditor with First Atlantic Bank • 3 years as Director, Enterprise Risk/ Chief Risk Officer with Universal Merchant Bank Appointed as Chief Risk of Officer of PBL in May, 2024

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Prudential Bank LTD (the "Bank") and its subsidiary (together the "Group") as at 31 December 2024, 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 Standards as issued by the International Accounting Standards Board ("IFRS Accounting 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).

What we have audited

We have audited the financial statements of Prudential Bank LTD and its subsidiary for the year ended 31 December 2024.

The financial statements comprise:

- the separate and consolidated statements of financial position as at 31 December 2024;
- the separate and consolidated statements of comprehensive income for the year then ended;
- the separate statements of changes in equity for the year then ended;
- the consolidated statements of changes in equity for the year then ended;
- the separate and consolidated statements of cash flows for the year then ended; and
- the notes to the separate and consolidated 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 separate and consolidated financial statements. We have fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to note 2.1.1 to these financial statements, which indicates that the Bank incurred a net loss of GH¢257 million for the year ended 31 December 2024 and as at that date, the Bank had a capital shortfall of GH¢1,135 million. These events or conditions, along with other matters as set forth in note 2.1.1, indicate that a material uncertainty exists that may cast significant doubt on the bank's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current period. These matters were addressed in the context of our audit of the separate and consolidated 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 Gross loans and advances to customers as at 31 December 2024 amounted to GH¢1,794,868 out of which an impairment allowance of GH¢830,569 was recorded for the Group. For the Bank, gross loans and advances to customers amounted to GH¢1,797,721, with impairment allowance of GH¢830,569. The impairment of loans and advances to customers was determined on an expected credit loss (ECL) basis under IFRS 9 - Financial Instruments. IFRS 9 is a complex accounting standard which requires considerable judgement and interpretation in its implementation. These judgements and estimates were used in designing models which have been built and implemented to measure expected credit losses. The key areas of judgement were as follows: • The definition of default and the determination of qualitative and quantitative criteria for determining significant increase in credit risk (SICR); • The selection and determination of forward-looking economic scenarios and the probability weightings applied to each scenario; • The completeness, accuracy and integrity of data used in the ECL calculations; and • The determination of Probability of default (PD), Loss Given Default (LGD) and Exposure at default (EAD). Given the subjectivity and reliance on estimates and judgements inherent in the determination of the impairment of financial assets, we determined that this was a matter of most significance in our audit. - The accounting policies, critical estimates and judgements and impairment are set out in notes 2.10, 5(a) and 16 to the financial statements.	We obtained an understanding of controls over loans and advances to customers. We evaluated and tested the controls over loan origination, monitoring and provisioning processes and assessed their operating effectiveness. We assessed the definition of default and the criteria applied by management in determining SICR. We applied a risk based targeted testing approach on samples of credit facilities for detailed review. We assessed the reasonableness of forward-looking information used in the impairment calculations by challenging the multiple economic scenarios used and the weighting applied. We assessed the completeness, accuracy and integrity of data used in the ECL model and reperformed selected model calculations to check that the inputs used were consistent with the requirements of IFRS 9. We assessed the reasonableness of PD assumptions applied and tested the reasonableness of the LGD by reviewing on a sample basis the valuation of the collateral held and expected future recoveries. We checked that the projected EAD over the remaining lifetime of financial assets were in compliance with the requirements of IFRS 9. We checked the appropriateness of IFRS 9 ECL disclosures.

Key audit matter	How our audit addressed the key audit matter
Derecognition loss on investment in debt securities The Government of the Republic of Ghana reached an agreement in principle with the Eurobond holders regarding the treatment of the Eurobonds. Outstanding Bonds were exchanged for new ones based on two options known as the Disco Option or the Par Option. The derecognition loss for investment securities is material to the financial statements in terms of magnitude and level of subjective judgement applied by management. A derecognition loss of GH¢159.8 million was recognised as a result of the exchange of eligible bonds under the programme. The fair values of the new instruments on the date of exchange, and the associated modification gain or loss was determined using discounted cash flow (DCF) models. The DCF models estimated the discount factors for the categories of bonds exchanged. The determination of the discount factor was an area of significant judgement. The accounting policies, critical estimates and judgements and impairment charge are set out in note 2.10 and 17 to the financial statements.	We obtained an understanding of the Eurobond based on the Exchange Memorandum issued by the Government of Ghana. We obtained an understanding for the option chosen by the Bank based on the approval of the Board. We assessed the reasonableness of the discount rates used for determining the present value of cash flows expected from new bonds by: - reviewing the methodology adopted in determining the discount rate; - agreeing the inputs used in the calculation of the market prices; and - reviewing the accuracy of the computation of the discount rate. We assessed the reasonableness of the discount rates (key assumptions) used for determining the present value of cash flows expected from new bonds. We assessed the appropriateness of the 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 Corporate Information, Financial Highlights, Report of the Directors, Chairperson's Statement, Corporate Governance Framework, Shareholders' Information, Valued Added Statement, Sustainability Report and Branch & ATM Locations but does not include the separate and consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the separate and consolidated 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 separate and consolidated 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, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting 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 separate and consolidated 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 separate and consolidated 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 separate and consolidated 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 separate and consolidated 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
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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 the 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) 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, 2020 (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 (2023) 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/2025/028)

Chartered Accountants

Accra, Ghana

5th June, 2025

SEPARATE AND CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(All amounts are in thousands of Ghana cedis)

	Note	2024 Bank	2024 Group	2023 Bank Restated	2023 Group Restated
Interest income	6	**603,186**	**603,186**	674,646	673,994
Interest expense	6	**(356,108)**	**(356,108)**	(362,759)	(362,755)
Net interest income		**247,078**	**247,078**	311,887	311,239
Fee and commission income	7	**120,890**	**120,890**	113,419	113,419
Fee and commission expense	7	**(36,031)**	**(36,031)**	(22,802)	(22,802)
Net fee and commission income		**84,859**	**84,859**	90,617	90,617
Net trading income	8	**36,877**	**36,877**	44,051	44,102
Other income	9	**37,014**	**41,719**	6,992	10,066
		73,891	**78,596**	51,043	54,168
Operating income		**405,828**	**410,533**	453,547	456,024
Net impairment charge	10	**(22,991)**	**(23,002)**	(750,012)	(750,012)
Derecognition (loss)/gain on investment securities	17	**(159,765)**	**(159,765)**	89,701	89,701
Finance cost	20	**(403)**	**(403)**	(273)	(273)
Personnel expenses	11	**(213,330)**	**(213,364)**	(215,999)	(216,829)
Depreciation and amortisation expense	12	**(33,653)**	**(33,745)**	(28,521)	(28,600)
Other operating expenses	13	**(232,340)**	**(235,274)**	(153,074)	(153,805)
Loss before tax		**(256,654)**	**(255,020)**	(604,631)	(603,794)
Income tax (credit)/expense	14	**-**	**(460)**	194,989	194,809
Loss after tax		**(256,654)**	**(255,480)**	(409,642)	(408,985)
Other comprehensive income					
Revaluation gain		**7,076**	**7,076**	187,979	187,979
Deferred tax on revaluation		**-**	**-**	(46,995)	(46,995)
Other comprehensive income (net of tax)		**7,076**	**7,076**	140,984	140,984
Total comprehensive income – (loss)		**(249,578)**	**(248,404)**	(268,658)	(268,001)
Earnings per share (pesewas) – basic	34	**(0.1164)**	**(0.1312)**	(0.4638)	(0.4631)
Earnings per share (pesewas) – diluted	34	**-**	**-**	-	-

The notes on pages 54 to 105 are an integral part of these separate and consolidated financial statements.

SEPARATE AND CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(All amounts are in thousands of Ghana cedis)

		2024	2024	2023	2023
Assets	Note	**Bank**	**Group**	Bank	Group
Cash and cash equivalents	15	**2,322,009**	**2,322,009**	1,158,267	1,158,267
Loans and advances to customers	16	**864,378**	**861,525**	1,010,841	1,007,612
Investment in debt securities	17	**2,115,514**	**2,128,581**	1,901,551	1,909,304
Investment in equity securities	18	**2,196**	**408**	766	323
Other assets	19	**492,950**	**493,384**	446,831	446,846
Deferred tax assets	14	**313,983**	**313,980**	313,983	313,983
Current tax assets	14	**52,461**	**52,719**	22,697	23,015
Right-of-use assets	20	**15,363**	**15,363**	13,074	13,074
Intangible assets	21	**2,327**	**2,340**	5,749	5,769
Property and equipment	22	**409,819**	**410,003**	405,908	406,145
Total assets		**6,591,000**	**6,600,312**	5,279,667	5,284,338
Liabilities					
Deposits from banks and other financial institutions	23	**18,496**	**18,496**	9,204	9,204
Deposits from customers	24	**5,736,815**	**5,736,061**	4,597,926	4,593,820
Other liabilities	26	**148,512**	**155,229**	148,367	154,969
Borrowings	25	**620,093**	**620,093**	385,810	385,810
Employee benefits liabilities	27	**30,968**	**30,968**	34,985	34,985
Lease liabilities	20	**9,531**	**9,531**	3057	3,057
Total liabilities		**6,564,415**	**6,570,378**	5,179,349	5,181,845
Shareholders' funds					
Stated capital	28	**578,276**	**578,276**	402,431	402,431
Statutory reserve	29	**115,447**	**115,447**	115,447	115,447
Credit risk reserve	30	**202,086**	**202,086**	-	-
Other reserve	33	**7,076**	**7,076**	-	-
Revaluation reserve	32	**261,898**	**261,898**	261,898	261,898
Retained earnings – (deficit)	31	**(1,138,198)**	**(1,134,849)**	(679,458)	(677,283)
Total shareholders' funds		**26,585**	**29,934**	100,318	102,493
Total liabilities and shareholders' funds		**6,591,000**	**6,600,312**	5,279,667	5,284,338

The notes on pages 54 to 105 are an integral part of these separate and consolidated financial statements.

The separate and consolidated financial statements on pages 48 to 105 were approved by the Board of Directors on 29th April 2025 and signed on its behalf by:

Muriel Susan Edusei
Chairperson

Bernard Gyebi
Managing Director

SEPARATE AND CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(All amounts are in thousands of Ghana cedis)

Bank

Year ended 31 December 2024	Stated capital	Retained earnings	Statutory reserve	Revaluation reserve	Credit risk reserve	Other reserve	Total
At 1 January 2024	402,431	(679,458)	115,447	261,898	-	-	100,318
Loss for the year	-	(256,654)	-	-	-	-	(256,654)
Other comprehensive income	-	-	-		-	7,076	7,076
Total comprehensive income	402,431	(936,112)	115,447	261,898	-	7,076	(149,260)
Transactions with shareholders							
Issue of shares	180,964	-	-	-	-	-	180,964
Transaction cost	(5,119)	-	-	-	-	-	(5,119)
	175,845	-	-	-	-	-	175,845
Regulatory transfers							
Transfer to statutory reserve	-	-	-	-	-	-	-
Transfer to credit risk reserve	-	(202,086)	-	-	202,086	-	-
	-	(202,086)	-	-	202,086	-	-
At 31 December 2024	578,276	(1,138,198)	115,447	261,898	202,086	7,076	26,585

The notes on pages 54 to 105 are an integral part of these consolidated financial statements.

SEPARATE AND CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (continued)

(All amounts are in thousands of Ghana cedis)

Bank

Year ended 31 December 2023	Stated capital	Retained earnings	Statutory reserve	Revaluation reserve	Credit risk reserve	Total
At 1 January 2023	402,431	(464,238)	115,447	120,914	194,422	368,976
Loss for the year	-	(409,642)	-	-	-	(409,642)
Other comprehensive income, net of tax	-	-	-	140,984	-	140,984
Total comprehensive income	402,431	(873,880)	115,447	261,898	194,422	100,318
Transactions with shareholders						
Transfer to credit risk reserve	-	194,422	-	-	(194,422)	-
Transfer to statutory reserve	-	-	-	-	-	-
	-	194,422	-	-	(194,422)	-
Regulatory transfers						
Transfer from credit risk reserve	-	-	-	-	-	-
At 31 December 2023	402,431	(679,458)	115,447	261,898	-	100,318

The notes on pages 54 to 105 are an integral part of these consolidated financial statements.

Group

Year ended 31 December 2024	**Stated capital**	**Retained earnings**	**Statutory reserve**	**Revaluation reserve**	**Credit risk reserve**	**Other reserve**	**Total**
At 1 January 2024	**402,431**	**(677,283)**	**115,447**	**261,898**	**-**	**-**	**103,726**
Profit for the year	**-**	**(255,480)**	**-**	**-**	**-**	**-**	**(255,480)**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**	**7,076**	**7,076**
Total comprehensive income	**402,431**	**(932,763)**	**115,447**	**261,898**	**-**	**7,076**	**(145,911)**
Transactions with shareholders							
Contributions towards capital	**-**	**-**	**-**	**-**	**-**		**-**
Issue of shares	**180,964**	**-**	**-**	**-**	**-**		**180,964**
Transaction cost	**(5,119)**	**-**	**-**	**-**	**-**		**(5,119)**
	175,845	**-**	**-**	**-**	**-**		**175,845**
Regulatory transfers							
Transfer to statutory reserve	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transfer to credit risk reserve	**-**	**(202,086)**	**-**	**-**	**202,086**	**-**	**-**
	-	**(202,086)**	**-**	**-**	**202,086**	**-**	**-**
At 31 December 2024	**578,276**	**(1,134,849)**	**115,447**	**261,898**	**202,086**	**7,076**	**29,934**

The notes on pages 54 to 105 are an integral part of these consolidated financial statements.

SEPARATE AND CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (continued)

(All amounts are in thousands of Ghana cedis)

Group

Year ended 31 December 2023	Stated capital	Retained earnings	Statutory reserve	Revaluation reserve	Credit risk reserve	Total
At 1 January 2023	402,431	(462,720)	115,447	120,914	194,422	370,494
Loss for the year	-	(408,985)	-	-	-	(408,985)
Other comprehensive income, net of tax	-	-	-	140,984	-	140,984
Total comprehensive income	402,431	(871,705)	115,447	261,898	194,422	102,493
Transactions with shareholders						
Transfer to credit risk reserve	-	194,422	-	-	(194,422)	-
Transfer to statutory reserve	-	-	-	-	-	-
	-	194,422	-	-	(194,422)	-
Regulatory transfers	-	-	-	-	-	-
Transfer from credit risk reserve	-	-	-	-	-	-
	-	-	-	-	-	-
At 31 December 2023	402,431	(677,283)	115,447	261,898	-	102,493

The notes on pages 54 to 105 are an integral part of these consolidated financial statements.

SEPARATE AND CONSOLIDATED STATEMENTS OF CASH FLOWS

(All amounts are in thousands of Ghana cedis)

		2024		2023	
	Note	Bank	Group	Bank	Group
Cash flows from operating activities					
Cash generated from operations	35	**826,376**	**831,741**	262,330	261,664
Tax paid	14	**(29,764)**	**(30,169)**	(21,998)	(22,246)
Net cash used in operating activities		**796,612**	**801,572**	245,631	244,655
Cash flows from investing activities					
Purchase of investment securities		**(190,465)**	**(195,779)**	(198,673)	(197,701)
Purchase of property, plant & equipment	22	**(23,901)**	**(23,941)**	(9,571)	(9,629)
Proceeds from the sale of property & equipment	22	**2,012**	**2,012**	1,453	1,453
Purchase of intangible assets	21	**(481)**	**(481)**	-	-
Net cash used in investing activities		**(212,835)**	**(218,189)**	(206,791)	(205,877)
Cash flows from financing activities					
Change in borrowings		**234,283**	**234,283**	(923,939)	(923,939)
Lease Payments	20	**(7,509)**	**(7,509)**	(7,832)	(7,832)
Right Issue		**180,964**	**180,964**	-	-
Net cash from financing activities		**407,738**	**407,738**	(931,771)	(931,771)
Increase in cash and cash equivalents		**991,515**	**991,121**	(892,931)	(892,993)
Analysis of changes in cash and cash equivalents					
Cash and cash equivalents at 1 January		**467,197**	**467,197**	1,365,428	1,365,428
Increase/(decrease) in cash and cash equivalents	15	**991,515**	**991,121**	(892,931)	(892,993)
Cash and cash equivalents at 31 December		**1,458,712**	**1,458,318**	467,197	467,435

The accompanying notes on pages 54 to 105 are an integral part of these consolidated financial statements.

Notes to the Financial Statements

1. Reporting entity

Prudential Bank LTD is a limited liability company incorporated and domiciled in Ghana. These consolidated financial statements as at and for the year ended 31 December 2024 comprise the Bank and its subsidiary, (together referred to as the 'Group'). The separate financial statements as at and for the year ended 31 December 2024 comprise the financial statements of the Bank. The Bank operates under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

2. Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied to all years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting 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).

The ICAG issued a directive in January 2025 to accountants in business and accountants in practice, on the application of IAS 29 in Ghana. The ICAG asserts in the directive that based on its analysis of the quantitative and qualitative indicators referred to in IAS 29, Ghana was not a hyperinflationary economy as of December 2024, therefore, IAS 29 will not be applicable for December 2024 financial reporting period. In compliance with the directive, the financial statements of the Company, including the comparative figures, have not been stated in terms of the measuring unit current at the end of the reporting period.

These financial statements have been prepared under the historical cost convention, except for pledged and non-pledged trading assets as well as defined benefit liabilities which are measured at fair value.

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

The Group's accounting policy on fair value is set out in note 2.9.2.

2.1.1 Going concern basis of accounting

The financial statements of the Bank have been prepared on a going concern basis notwithstanding the loss after tax of GH¢257 million for the year ended 31 December 2024 and the capital shortfall of GH¢1,135 million as at the reporting date. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Bank's ability to continue as a going concern. The directors are confident that the shareholders and a private investor will contribute the remaining amount to complete the capitalisation plan approved by Bank of Ghana within the next twelve months.

These financial statements do not reflect the adjustments to the carrying value of assets and liabilities or the classifications that would be necessary if the Bank were unable to realise its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

2.2 Changes in accounting policies and disclosures

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

(i) Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2

Amendments made to IAS 1, Presentation of Financial Statements', in 2020 and 2023 clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period.

2.2 Changes in accounting policies and disclosures (continued)

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

(i) Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2 (continued)

Classification is unaffected by the entity's expectations or events after the reporting date (for example, 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 non-current 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, that indicate that the entity might have difficulty complying with the covenants.

The amendments also clarify what IAS 1 means when it refers to the 'settlement' of 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 liability.

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. This amendment was adopted in preparation for the 2024 financial statements. The adoption, however, did not have any impact on the bank's financials.

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

In September 2023, the IASB finalized 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 after 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 recognizing any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact on sale and leaseback transactions where the lease

payments include variable payments that do not depend on an index or a rate. The amendment was applied in the preparation of the 2024 financial statements. This, however, did not impart the numbers.

(iii) Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

On 25 May 2023, the IASB issued amendments to IAS 7 and IFRS 7 to require specific disclosures about supplier finance arrangements (SFAs). The amendments respond to the investors' need for more information about SFAs to be able to assess how these arrangements affect an entity's liabilities, cashflows and liquidity risk.

The new disclosures will provide information about:

(1) The terms and conditions of SFAs.

(2) The carrying amount of financial liabilities that are part of SFAs, and the line items in which those liabilities are presented.

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

(4) 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

(5) Non-cash changes in the carrying amounts of financial liabilities in (2)

(6) Access to SFA facilities and concentration of liquidity risk with the finance providers.

Entities will be required to aggregate the information that they provide about SFAs. However, entities should disaggregate information about terms and conditions that are dissimilar, disclose explanatory information where the range of payment due dates is wide, and disclose the type and effect of non-cash changes that are needed for comparability between periods.

2.2 Changes in accounting policies and disclosures (continued)

The IASB has provided transitional relief by not requiring comparative information in the first year and 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.

(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, 2024 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) Lack of Exchangeability — Amendments of IAS 21

The IASB has amended IAS 21, 'The Effects of Changes in Foreign Exchange Rates', by adding requirements which will help entities to:

- assess whether a currency is exchangeable into another currency, and
- determine the spot exchange rate to use, when exchangeability is lacking.

If an entity has estimated a spot exchange rate because a currency is not exchangeable into another currency, it will have to provide additional information to help users to understand the effects and associated risks, the estimated rates and estimation process used.

These changes will be effective for financial statements starting on or after January 1, 2025.

(ii) Classification and Measurement of Financial Instruments — Amendments to IFRS 9 and IFRS 7

The IASB issued targeted amendments to IFRS 9, 'Financial Instruments', and IFRS 7, 'Financial Instruments: Disclosures', to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities.

These amendments:

(a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system.

(b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion.

(c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and

(d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The amendments in (b) are most relevant to financial institutions, but the amendments in (a), (c) and (d) are relevant to all entities.

These changes will be effective for financial statements starting on or after January 1, 2026.

(iii) IFRS 18, 'Presentation and Disclosure in Financial Statements'

The IASB issued a new standard on presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss.

The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss with defined subtotals.
- a requirement to determine the most useful structured summary for presenting expenses in the statement of profit or loss.
- required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. This standard will be effective for financial statements starting on or after January 1, 2027.

(iv) IFRS 19, 'Subsidiaries without Public Accountability: Disclosures'

The IASB issued a new standard that works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements, and it applies instead the reduced disclosure requirements in IFRS 19.

2.2 Changes in accounting policies and disclosures (continued)

IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible

subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.

A subsidiary is eligible if:

- It does not have public accountability; and
- It has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards. This standard will be effective for financial statements starting on or after January 1, 2027.

2.3. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Bank and entity controlled by the Bank (its subsidiary) up to 31 December each year. Control is achieved when the Group:

- has the power over the investee.
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

i. Subsidiary

The subsidiary is an investee controlled by the Group. The financial statements of the subsidiary is 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. The subsidiary's

financial statements are prepared in accordance with Group accounting policies.

There were no non-controlling interests in the subsidiary.

ii. 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.

iii. Change in ownership interest of the subsidiary

A change in ownership interest of the subsidiary, without loss of control, is accounted for as an equity transaction. The carrying amount of the Group's interests and any non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. If the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiaries, any related non-controlling interests and other components of equity. Any surplus or deficit arising on the loss of control is recognised in profit or loss. Any retained interest in the former subsidiaries is recognised at fair value at the date of loss of control.

iv. 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

Functional and presentation currency

Items included in the Bank's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Ghana Cedi (GH¢), which is the Group's functional currency.

Transactions and balances

Foreign 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. The Bank of Ghana interbank exchange rates are used to translate foreign currency items into the functional currency.

Monetary items denominated in foreign currency are translated using the closing rate as at the reporting date. Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition; non-monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange gains and losses resulting from the settlement of foreign currency 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.

2.5 Interest income and expense

Interest income and expense for all interest-bearing financial instruments are recognised within 'interest income' and 'interest expense' in profit or loss using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and allocating interest income or interest expense over the relevant period.

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

The Group calculates interest income on financial assets, other than those considered credit-impaired, by applying the EIR to the gross carrying amount of the financial asset.

When a financial asset becomes credit-impaired (as set out in Note 2.9) and is therefore regarded as 'Stage 3', the Group suspends interest that would have accrued had the group applied the EIR. If the financial asset cures (as outlined in Note 2.9) and is no longer credit-impaired, the Group releases suspended interest into interest income.

For purchased or originated credit-impaired (POCI) financial assets (as set out in Note 2.9), the Group calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the financial asset. The credit-adjusted EIR is the interest rate that, at initial recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI financial asset.

2.6 Fee and commission income

Fee and commission income and expense include fees other than those that are an integral part of EIR. The fees included in this part of the Group's consolidated statement of profit or loss include among other things fees charged for servicing a loan, non-utilisation fees relating to loan commitments when it is unlikely that these will result in a specific lending arrangement and loan syndication fees.

Other fees and commission income and expenses are recognised on an accrual basis when the related services are performed. Loan commitment fees for loans that are not likely to be drawn down are deferred, together with related direct costs and recognised on a straight-line basis over the commitment period.

Other fees and commission expenses, which relate mainly to transaction and service fees are expensed as the related services are performed.

2.7 Fee and commission expense

Fees and commission expenses, which relate mainly to transaction and service fees, are expensed as the related services are received.

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. The Group has elected to present the full fair value movement of trading assets and liabilities in trading income, including any related expense.

2.9 Dividend income

Dividend income is recognised when the Bank's right to receive payment is established.

2.10 Financial assets and liabilities

2.10.1 Measurement methods

Amortised cost and effective interest rate

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.

2.10.1 Measurement methods (continued)

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.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group 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 instruments depend on:

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

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

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured. Interest income from these financial assets is *included in 'Interest income' using the effective interest rate method.*

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'.

Debt instruments (continued)

Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

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.

The Group measures advance to banks, loans and advances to customers and other financial investments at amortised cost only if both of the following conditions are met:

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

The details of these conditions are outlined below.

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;
- 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.

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.

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.

SPPI assessment: The Group assesses the contractual terms of the financial asset to identify whether they meet the SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount). The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

(i) Financial assets (continued)

Business Model Assessment (continued)

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

The Group reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent, and none occurred during the period.

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.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit loss ('ECL') associated with its debt instrument assets carried at amortised cost and FVOCI and with its exposures arising from loan commitments and financial guarantee contracts. The Group recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

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 de-recognition.

If the terms are not substantially different, the renegotiation or modification does not result in de-recognition, 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).

(i) Financial assets (continued)

Modification of loans (continued)

Modification Assessment of Government of Ghana Eurobonds

The Group used the principles of IFRS 9 to assess for modification. Where the contract terms of debt instruments are modified, an assessment is performed to ascertain if the new terms are "substantially different" from the old terms. This is to determine if the modification is significant or not. Where the modification is deemed to be significant, the old instrument is derecognized and the new instrument recognized as a new asset in line with the standard.

On June 24, 2024, the Government of Ghana (GoG) reached an Agreement in Principle (AIP) with Eurobond holders, represented by the International Steering Committee and Regional Steering Committee (the "Steering Committees"), to restructure approximately $13.1 billion of external debt. The restructuring initiative was aimed at alleviating Ghana's debt burden and fostering economic

recovery, as part of an IMF-supported program. Below is the summary of the terms of the exchanged:

- Investors had two options to choose from; Discount option and par option (capped at USD1.6 million)

  The bondholders agreed to a nominal haircut of 37% on the principal amount, resulting in a reduction of approximately $4.7 billion of claims. The haircut applied to only the discount option.
- Bondholders will also provide cash flow relief amounting to approximately $4.4 billion during the IMF program period, easing the financial pressure on the GoG.
- The restructuring involved the issue of 4 new Eurobonds with maturities extending up to 2037 to replace the old Eurobonds.

This was aimed at providing the government with physical space that would ensure financial stability.

Prudential bank LTD participated in the Eurobond exchange program and opted for the PAR option. A total of about $17.2million of the old Eurobonds was exchanged for three new Eurobonds with total face value of $16.5 million after suffering haircut.

Valuation of Eurobonds

The restructure of the government of Ghana Eurobonds was considered significant modification of the financial asset. As a result, the old Eurobonds were derecognized and the new bonds received was recognized as new financial assets. In line with IFRS 9, new bonds were recognized at fair value at initial recognition and subsequent measurement at amortised cost. A discount rate of 8% was used to determine the prices of the new bonds at on the day of the exchange. The market prices of the bonds immediately after the exchange is significantly different from our valuation prices. Disclosure of the Eurobond valuation can be found at note 19.

Derecognition other than on a modification

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 Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Group is recognised as a separate asset or liability.

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.

(i) Financial assets (continued)

Financial guarantees contracts and loan commitments (continued)

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.

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.

(ii) Financial liabilities

Classification

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

Measurement

The 'amortised cost' of a financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

Derecognition

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

2.10.2 Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Bank has access at that date. The fair value of a liability reflects its nonperformance risk.

When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price – i.e., the fair value of the consideration given or received. If the Bank determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price.

Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the Group on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for a particular risk exposure. Those portfoliolevel adjustments are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

2.10.2 Fair value measurement (continued)

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

2.10.3 Reclassification of financial assets

The Group may choose to reclassify a non-derivative financial asset held for trading out of the fair value through profit or loss category if the financial asset is no longer held for the purpose of selling it in the near-term. Financial assets are permitted to be reclassified out of the fair value through profit or loss 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 out of the fair value through profit or loss (FVPL) or fair value through other comprehensive income (FVOCI) 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 hold to collect 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.

2.10.4 Impairment of financial assets

The Group records an allowance for expected credit loss for all loans and other debt financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts, in this section all referred to as 'financial instruments. Equity instruments are not subject to impairment under IFRS 9.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit losses or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit losses (12m ECL) as outlined in Note 2.9.4). The Group's policies for determining if there has been a

significant increase in credit risk are set out in Note 3.

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

Both LTECL and 12 months ECL are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Group's policy for grouping financial assets measured on a collective basis is explained in Note 3.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. This is further explained in Note 3.

Based on the above process, the Group bands its loans into Stage 1, Stage 2, Stage 3 and POCI, as described below:

- Stage 1: When loans are first recognised, the Group recognises an allowance based on 12 months ECL. Stage 1 loans also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 2.
- Stage 2: When a loan has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECL.
- Stage 2 loans also include facilities, where the credit risk has improved, and the loan has been reclassified from Stage 3.
- Stage 3: Loans considered credit-impaired (as outlined in Note 3.) The Group records an allowance for the LTECL.
- POCI: Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit-adjusted EIR. The ECL allowance is only recognised or released to the extent that there is a subsequent change in the expected credit losses.

For financial assets for which the Group has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

2.10.4 Impairment of financial assets (continued)

The calculation of ECL

The Group calculates ECL based on three probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

- PD The *Probability of Default* is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The concept of PD is further explained in Note 3.
- EAD The *Exposure at Default* is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. The EAD is further explained in Note 3.
- LGD The *Loss Given Default* is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral or credit enhancements that are integral to the loan and not required to be recognised separately, as set out in Note 3.2(xi). It is usually expressed as a percentage of the EAD. The LGD is further explained in Note 3.

When estimating the ECL, the Bank considers three scenarios (a base case, an upside, and a downside). Each of these is associated with different PDs, EADs and LGDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure and the value of collateral or the amount that might be received for selling the asset.

Except for other revolving facilities, for which the treatment is separately set out below, the maximum period for which the credit losses are determined is the contractual life of a financial instrument unless the Bank has the legal right to call it earlier.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

Provisions for ECL for undrawn loan commitments are assessed. The calculation of ECL (including the ECL related to the undrawn element) of revolving facilities is explained below.

The mechanics of the ECL method are summarised below:

- Stage 1: The ECL is calculated as the portion of LTECL that represent the ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Bank calculates the 12-month ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR. This calculation is made for each of the three scenarios, as explained above.
- Stage 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECL. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.
- Stage 3: For loans considered credit-impaired (as defined in Note 3), the Group recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.
- POCI: POCI assets are financial assets that are credit impaired on initial recognition. The Group only recognises the cumulative changes in lifetime ECL since initial recognition, based on a probability-weighting of the four scenarios, discounted by the credit adjusted EIR.

Debt instruments measured at fair value through OCI

The ECL for debt instruments measured at FVTOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss.

2.10.4 Impairment of financial assets (continued)

The accumulated loss recognised in OCI is recycled to the profit and loss upon de-recognition of the assets.

Purchased or originated credit impaired financial assets (POCI)

For POCI financial assets, the Group only recognises the cumulative changes in LTECL since initial recognition in the loss allowance.

2.10.5 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.

2.11 Collaterals

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.

2.12 Significant increase in credit risk

The bank assesses whether there has been a significant increase in credit risk for exposures since initial recognition at each reporting date by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The bank assesses both the quantitative and qualitative information about the customer during this time to inform its decision on whether there has been a significant increase in credit risk. The following are some qualitative triggers used in the determination of significant increase in credit risk of financial instruments:

- A downgrade of a borrower by a recognized credit rating agency, or within a bank's internal credit rating system.
- For performing credits subject to individual monitoring and review, an internal credit assessment summary with low liquidity and profitability which could affect projected cash flow after initial recognition.
- Deterioration of relevant determinants of credit risk (more than 30 days past due on credit obligation) for an individual obligor.
- Expectation of restructuring due to financial difficulties of the borrower.
- Deterioration of macroeconomic outlook relevant to a particular borrower or group of borrowers.
- Deterioration of prospects for the sector or industries within which a borrower operates.
- Modification of terms due to reduction in borrower's cash flow resulting in concessions granted to the borrower including extension of moratorium, deferment of payment, waiver of covenants, etc.

2.13 Impairment of Government of Ghana Bonds

Per Appendix A of IFRS 9, an asset is credit-impaired if one or more events have occurred that have a detrimental impact on the estimated future cash flows of the asset. The following are examples of such events:

- significant financial difficulty of the issuer or the borrower.
- a breach of contract - e.g., a default or past-due event.
- a lender having granted a concession to the borrower - for economic or contractual reasons relating to the borrower's financial difficulty - that the lender would not otherwise consider.
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization.
- the disappearance of an active market for that financial asset because of financial difficulties; or
- The purchase of a financial asset at a deep discount reflects the incurred credit losses.

The assessments of the factors above led to the conclusion that the new bonds under both DDEP Phase 1 and 2 should be classified as originated credit impaired.

2.13 Impairment of Government of Ghana Bonds (continued)

Initial recognition of originated credit-impaired assets

On initial recognition, originated credit-impaired assets do not carry an impairment allowance. Instead, lifetime ECLs are incorporated into the calculation of the effective interest rate. This requires the bank to determine the cash shortfalls or the expected cash flows under the new terms in calculating the effective interest rate of the new bonds at initial recognition.

Subsequent measurement of originated credit-impaired assets

The ECLs for originated credit-impaired assets are always measured at an amount equal to lifetime ECLs. However, the amount recognised as a loss allowance for these assets is not the total amount of lifetime ECLs, but instead the changes in lifetime ECLs since initial recognition of the asset. No impairment expense or allowance is recognised if, in subsequent periods, experience and expectations about the collectability of cash flows are unchanged from expectations on initial recognition.

Favourable changes in lifetime ECLs are recognised as an impairment gain, even if the favourable changes are more than the amount, if any, previously recognised in profit or loss as impairment losses.

Refer to Note 19 for details of the impairment assessment on the government of Ghana Bonds.

2.14 Leases

The Group leases several properties. Rental contracts are typically made for fixed periods of up to five years but may have extension options as described below.

Lease terms are negotiated on an individual basis and contain a 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 Group, 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 Group:

- 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 Group under IFRS 16 are not revalued.

2.14 Leases (continued)

Payments associated with short-term 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 leases comprise residential premises for management.

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

2.15 Income tax

Current income tax

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

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered or paid to the Ghana Revenue Authority. The 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.

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.

2.16 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, balances held with central banks and highly liquid financial assets with original maturities of three 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 shortterm commitments.

2.16 Cash and cash equivalents (continued)

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

2.17 Property and equipment

Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of selfconstructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs.

When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

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.

Depreciation

Land is not depreciated. 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:

Leasehold land and buildings	Over the lease
Computer hardware	4 years
Furniture & fittings	5 years
Motor vehicles	5 years
Office equipment	8 years
Plant & machinery	8 years
Branch development	8 years
Buildings	33 years

Depreciation on revalued buildings is recognised in profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the property's revaluation reserve is transferred directly to retained earnings. Land and buildings are recognised at fair value based on periodic valuations (at least every five years) less subsequent depreciation for buildings. Valuations are performed by external independent valuers. A revaluation surplus is credited to other reserves in shareholders' equity. All other property and equipment is recognised at historical cost less depreciation.

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.

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. The gain or loss on disposal of an item of property and equipment is determined by comparing the proceeds from disposal with the carrying amount of the item of property and equipment and is recognised directly in profit or loss.

2.18 Intangible assets

Computer software

Intangible assets comprise computer software licences. Intangible assets are recognised at cost. 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.

2.19 Impairment of nonfinancial assets

The carrying amounts of the Group's nonfinancial assets other than deferred income 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 cashgenerating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cashgenerating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount, and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.20 Deposits and borrowings

Deposits from customers and borrowings from other banks are the Group's sources of debt funding. 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.

2.21 Employee benefits

Defined contribution plans

The Bank operates a defined contribution plan. The Group and its employees contribute to a defined contribution pension scheme. The Group pays contributions on a mandatory basis and has no further payment obligations on the contributions to be made. Obligations for contributions to defined contribution plans are recognised as an expense in profit or loss when they are due.

Short-term benefits

Short-term employee benefits, such as salaries and other benefits, are accounted for on an accrual basis over the period which employees have provided services in the year. Bonuses are recognised to the extent that the Group has a present obligation to its employees that can be measured reliably.

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

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.

2.22 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.

2.23 Stated capital

Ordinary shares

Ordinary shares are classified as equity and presented as stated capital. All shares are issued at no par value. Incremental costs that are directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

Dividend on ordinary shares

Dividends on the Group's ordinary shares are recognised in equity in the period in which they are paid or, appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period.

Share issue costs

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

2.24 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.

2.25 Post balance sheet events

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.

3. 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 practice. 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.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. Under this framework, the Board has established separate independent bodies responsible for managing and monitoring risks. These include, Board sub-committees, Management Credit Committee (MCC), Risk Management Department, and the Asset and Liability Management Committee (ALCO) which are responsible for developing and monitoring the Group's risk management policies in their specified areas. All committees report regularly to the Board of Directors on their activities.

The Bank's risk management policies are established to analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The risks arising from financial instruments to which the Bank is exposed are financial risks, which includes credit risk, liquidity risk and market risk.

3.1 Credit risk management

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

Credit risk is the single largest risk for the Group's business; the directors therefore carefully manage the exposure to credit risk. The credit risk management and control are centralised in a credit risk management team headed by the Chief Risk Officer, who reports to the Board of Directors.

3.1.1 Risk limit control and mitigation policies

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 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.

3.1 Credit risk management (continued)

3.1.1 Risk limit control and mitigation policies (continued)

Actual exposures against limits are monitored daily. Lending limits are reviewed in response to changing market and economic conditions and assessments of probability of default.

The Group also employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advanced, which is common practice. 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.

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.

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, letters of credit 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 which is based on changes in credit risk of financial assets since initial recognition.

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.

3.2 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'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.

3.2 Expected credit loss measurement (continued)

Expected credit loss impairment model (continued)

(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 (lifetime 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.

(i) 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.

(ii) 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.

Qualitative criteria

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;

3.2 Expected credit loss measurement (continued)

Qualitative criteria (continued)

- 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.

iii. Credit-impaired financial assets

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.

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:

v. Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;

vi. Loan commitments and financial guarantee contracts: generally, as a provision;

vii. 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 Bank 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

viii. 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.

iii. 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.

iv. 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:

ix. 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.

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

xi. 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.

3.2 Expected credit loss measurement (continued)

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

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). 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.

vi. Explanation of inputs, assumptions and estimation techniques: Exposure at Default (EAD), Probability of Default (PD) and Loss Given Default (LGD)

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

xii. 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.

xiii. 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.

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.

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

xiv. GDP Growth – GDP growth is used to assess the relative health of the economy. Forward looking information is incorporated by using the projected GDP growth rate for the current year as a base.

3.2 Expected credit loss measurement (continued)

xv. Consumer price index (CPI) – CPI is used due to its influence on monetary policy and on interest rates. Interest rate has an impact on borrowers' likelihood of default. Forward looking information is incorporated by using the expected change in inflation rates for the next three quarters.

ix. Economic Variable Assumptions

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

Scenario	Weight %	GDP growth %	Consumer Price Index %
Base case	40	-	-
GDP up; CPI up	15	+1	+1
GDP down; CPI down	15	-1	-1
GDP up; CPI down	15	-3	-3
GDP down; CPI up	15	+3	+3

x. Investment securities

The Group'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 GH¢432.1 million Government of Ghana Cedi bonds, GHS GH¢413.4 million COCOBOD bonds and GH¢22.9 million 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 derecognition loss of GH¢10.54 million was recognised as a result of the exchange of bonds.

In assessing the derecognition gain/(loss) for investment securities that are within the scope of the Government of Ghana's Domestic Debt Exchange Programme and Eurobond exchange, the gain on loss is calculated as the difference between the 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. The discount rates used were 15.67%, 7% 15.67% and 8% for the Government of Ghana Cedi bonds, local USD bonds, Ghana Cocoa Board bonds and the recently exchanged Eurobonds respectively.

The sensitivity of the derecognition loss to a 1% change in the discount rate is set below:

	2024	2023
	GH¢'000	GH¢'000
1% decrease in discount rate	**(78,695)**	71,761
Base	**(159,756)**	89,701
1% increase in discount rate	**(261,307)**	107,641

3.2.1 Maximum exposure to credit risk before collateral held

The following tables show the analyses 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.

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

	2024	2023
	GH¢'000	GH¢'000
On-balance sheet financial assets subject to impairment		
Balances with Bank of Ghana	**834,391**	570,816
Balances with banks	**1,017,005**	386,680
Investment securities	**2,367,846**	1,953,224
Loans and advances to customers	**864,378**	1,010,841
Other assets (excluding prepayments, repossessed collaterals)	**411,021**	354,187
	5,494,641	4,275,748
Off-balance sheet financial assets subject to impairment		
Letters of credit	**118,015**	146,340
Guarantees	**168,431**	166,296
	286,446	312,636

3.2.2 Credit quality analysed by class of financial instrument

The Group's credit exposures were categorised under IFRS 9 as follows:

(i) Stage 1 – At initial recognition and no significant increase in credit risk after initial recognition

(ii) Stage 2 – Significant increase in credit risk since initial recognition

(iii) Stage 3 – Credit impaired

Impairment (Prudential)

An account is considered delinquent when payment is not received on due date. Accounts that are overdue by more than 90 days are considered default. These accounts are closely monitored and subjected to a collection process. The process used for impairment is based on Bank of Ghana guidelines which recognise cash as a credit mitigant. Individual impairments are made for outstanding amounts depending on the number of days past due with full impairment made after 360 days. In certain situations, such as bankruptcy, fraud and death, the loss recognition process is accelerated. Loans and advances less than 90 days past due are generally not considered impaired unless other information is available to indicate otherwise.

The Bank of Ghana Guideline is as set out below:

Grade Description	Number of days	Impairment (%)
Current	Less than 30 days	1
Other Loans Exceptionally Mentioned (OLEM)	30 to less than 90 days	10
Substandard	90 to less than 180 days	25
Doubtful	180 to less than 360 days	50
Loss	360 days and above	100

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.

3.2.2 Credit quality analysed by class of financial instrument (continued)

	2024	2023
	GH¢'000	GH¢'000
Carrying amount	793,981	1,071,379
Current	401,152	658,898
OLEM	73,280	47,668
Substandard	82,080	360,683
Doubtful	359,872	102,295
Loss	910,252	817,292
Total gross amount	1,826,636	1,986,836
Allowance for credit impairment losses	(1,032,655)	(915,457)
Carrying amount	793,981	1,071,379
Non-performing loans ratio	74%	64%

	Stage 1	Stage 2	Stage 3		
	12-month ECL	Lifetime ECL	Lifetime ECL	POCI	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
At 31 December 2024					
Cash and bank balances	1,052,572	-	-	-	1,052,572
Due from other banks	1,017,005	-	-	-	1,017,005
Investment securities	252,332	-	-	2,115,514	2,367,846
Loans and advances to customers	401,532	73,269	1,220,146	-	1,694,947
Other financial assets	76,650	-	-	-	76,650
Gross carrying amount	2,800,091	73,269	1,220,146	2,115,514	6,209,020
Expected credit loss	(2,396)	(13,765)	(814,408)	-	(830,569)
Carrying amount	2,797,695	59,504	405,738	2,115,514	5,378,451
Off-balance sheet exposures					
Letters of credit	118,015	-	-	-	118,015
Guarantees	114,252	-	54,179	-	168,431
Gross carrying amount	232,267	-	54,179	-	286,446
Expected credit loss on off-balance sheet exposures	(862)	-	(5,168)	-	(6,030)

3.2.2 Credit quality analysed by class of financial instrument (continued)

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
At 31 December 2023				
Cash and bank balances	712,490	-	-	712,490
Due from other banks	259,995	-	-	259,995
Investment securities	51,673	190,301	2,232,059	2,474,033
Loans and advances to customers	655,944	47,609	1,222,745	1,926,298
Other assets (excluding prepayments)	83,935	-	-	83,935
Gross carrying amount	1,764,037	237,910	3,454,804	5,456,751
Expected credit loss	(6,560)	(23,791)	(1,405,915)	(1,436,266)
Carrying amount	1,757,477	214,119	2,048,889	4,020,485
Off-balance sheet exposures				
Letters of credit	146,340	-	-	146,340
Guarantees	166,296	-	-	166,296
Gross carrying amount	312,636	-	-	312,636
Expected credit loss on off-balance sheet exposures	(925)	-	-	(925)

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

	Stage 1	**Stage 2**	**Stage 3**	**Total**
	12-month ECL	**Lifetime ECL**	**Lifetime ECL**	
	GH¢'000	**GH¢'000**	**GH¢'000**	**GH¢'000**
At 31 December 2024				
Term loans	**204,905**	**73,193**	**1,088,264**	**1,366,362**
Overdrafts	**196,627**	**75**	**131,883**	**328,585**
Gross carrying amount	**401,532**	**73,268**	**1,220,147**	**1,694,947**
Expected credit loss	**(2,396)**	**(13,765)**	**(814,408)**	**(830,569)**
Carrying amount	**399,136**	**59,503**	**405,738**	**864,378**

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
At 31 December 2023				
Term loans	368,713	38,168	1,073,856	1,480,737
Overdrafts	287,231	9,441	148,889	445,561
Gross carrying amount	655,944	47,609	1,222,745	1,926,298
Expected credit loss	(6,560)	(4,700)	(904,197)	(915,457)
	649,384	42,909	318,548	1,010,841

3.2.2 Credit quality analysed by class of financial instrument (continued)

Concentration of credit risk arising from loans and advances to customers

	2024	2023
	GH¢'000	GH¢'000
Agriculture, Forestry & Fishing	18,073	16,447
Mining & Quarrying	713	4,572
Manufacturing	47,365	62,156
Electricity, Gas & Water	349,565	240,344
Commerce & Finance	303,075	359,787
Transport, Storage & Communication	136,961	193,339
Construction	426,429	414,634
Services	212,739	260,624
Miscellaneous	200,027	374,395
Gross loans and advances	1,694,947	1,926,298
Less: allowance for impairment	(830,569)	(915,457)
Net loans and advances	864,378	1,010,841

3.2.3 Collaterals and other credit enhancements

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.

3.2.4 Repossessed collateral

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

	2024	2023
	GH¢'000	GH¢'000
Commercial properties	69,265	77,000

3.3 Liquidity risk

Liquidity risk is the risk that the Bank will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset when they fall due.

3.3.1 Management of liquidity risk

The Bank maintains a portfolio of liquid assets, largely made up of shortterm liquid investment securities, loans and advances to banks and other interbank facilities, to ensure that sufficient liquidity is maintained within the Bank in order to meet all obligations, repay depositors, fulfil commitments to lend and meet any other commitments when they fall due.

The Bank's treasury also monitors unmatched medium-term assets, the level and type of undrawn lending commitments, the usage of overdraft facilities and the impact of contingent liabilities such as standby letters of credit and guarantees.

Sources of liquidity are regularly reviewed by the Treasury Department to maintain a wide diversification by currency, provider, product and term.

3.3.1 Management of liquidity risk (continued)

Liquidity policies and procedures are subject to review and approval by ALCO.

3.3.2 Exposure to liquidity risk

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.

	Up to 3 months	3 to 12 months	Over 1 year	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
At 31 December 2024				
Deposits from banks and other financial institutions	18,496	-	-	18,496
Customer deposits	1,224,760	1,818,008	2,694,047	5,736,815
Borrowing	412,237	207,776	80	620,093
Other financial liabilities	26,922	35,896	116,661	179,479
Lease liabilities	3,432	3,664	2,435	9,531
	1,685,847	2,065,344	2,813,223	6,564,414
Cash and balances with banks	1,186,381	883,296	-	2,069,677
Loans and advances to customers	375,423	393,790	95,165	864,378
Non-trading assets	199,386	52,946	2,115,514	2,367,846
Other financial assets	60,515	80,686	262,230	403,431
	1,821,705	1,410,718	2,472,909	5,705,332
Liquidity gap	(135,858)	654,626	340,314	(859,082)

	Up to 3 months	3 to 12 months	Over 1 year	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
At 31 December 2023				
Deposits from banks and other financial institutions	9,204	-	-	9,204
Customer deposits	1,323,930	1,400,668	1,873,328	4,597,926
Other liabilities	177,381	208,349	80	385,810
Lease liabilities	1,101	1,175	781	3,057
	1,535,620	1,643,365	1,874,189	4,995,997
Cash and balances with banks	569,977	536,617	-	1,106,594
Loans and advances to customers	556,751	344,047	110,043	1,010,841
Non-trading assets	41,855	9,849	1,901,520	1,953,224
Other financial assets	52,153	69,536	225,992	347,681
	1,220,736	960,049	2,237,555	4,418,340
Liquidity gap	(314,884)	(683,316)	237,191	(761,009)

3.3.2 Exposure to liquidity risk (continued)

The key measure used by the Bank 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 investments in government 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 table below sets out the Bank's ratio of net liquid assets to deposits from customers and balances due to banking institutions at the reporting date and during the reporting period.

	2024	2023
	GH¢'000	GH¢'000
At 31 December	**141.1%**	125.07%
Average for the period	**132.79%**	134.56%
Maximum for the period	**156.28%**	178.21%
Minimum for the period	**111.7%**	118.62%

3.4 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 Bank to market risk can be trading or non-trading related. Trading risk comprises positions that the Bank holds as part of its trading or market-making activities, whereas non-trading risk includes discretionary positions that the Bank undertake for liquidity.

3.4.1 Risk identification

Overall responsibility for management of market risk rests with Assets and Liability Committee (ALCO). The Risk Department is responsible for the development of detailed market risk management policies (subject to review and approval by ALCO) and for the day-to-day implementation of those policies. The Board Sub-Committee on Risk Management has oversight responsibility for market risk management.

3.4.2 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).

3.4 Market risk (continued)

3.4.2 Interest rate risk (continued)

The table below summarises the Bank's exposure to interest rate risks.

	Up to 3 months	3 to 12 months	Over 1 year	Non-interest bearing	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
At 31 December 2024					
Balances with banks	**690,202**	**48,813**	**-**	**1,086,815**	**1,825,830**
Loans and advances	**375,423**	**393,790**	**95,165**	**-**	**864,378**
Non-trading assets	**199,386**	**52,946**	**2,115,514**	**-**	**2,367,846**
Other financial assets	**-**	**-**	**-**	**-**	**-**
	1,265,011	**495.549**	**2,210,679**	**1,086,815**	**5,058,052**
Deposits from banks and other financial institutions	**18,496**	**-**	**-**	**-**	**18,496**
Customer deposits	**1,224,760**	**610,008**	**1,530,583**	**2,363,464**	**5,736,815**
Other liabilities	**412,237**	**207,776**	**-**	**-**	**620,013**
Lease liabilities	**3,432**	**3,664**	**2,435**	**-**	**9,531**
	1,658,925	**821,448**	**1,533,018**	**2,363,464**	**6,384,855**
Interest re-pricing gap	**(393,914)**	**(325,899)**	**677,660**	**(1,276,649)**	**(1,326,803)**
At 31 December 2023					
Balances with banks	74,808	366,617	15,823	808,096	1,265,344
Loans and advances	556,751	344,047	110,043	-	1,010,841
Non-trading assets	41,855	9,849	1,901,520	-	1,953,224
Other financial assets	-	-	-	-	-
	673,414	720,513	2,027,386	808,096	4,229,409
Deposits from banks and other financial institutions	9,204	-	-	-	9,204
Customer deposits	1,323,930	700,668	743,424	1,829,905	4,597,927
Other liabilities	177,381	208,349	80	-	385,810
Lease liabilities	1,101	1,175	781	-	3,057
	1,511,616	910,192	744,285	1,829,905	4,995,998
Interest re-pricing gap	(838,202)	(189,679)	1,283,101	(1,021,809)	(766,589)

3.4 Market risk (continued)

3.4.3 Foreign exchange risk

Foreign exchange risk is measured through the statement of comprehensive income. The Bank takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The table below summarises the Bank's exposure by currency exchange rates on its financial position and cash flows.

	USD	EUR	GBP	Others	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
At 31 December 2024					
Cash and balances with banks	**893,269**	**132,826**	**84,789**	**-**	**1,110,884**
Loans and advances	**367,996**	**94**	**9**	**-**	**368,099**
Non-trading assets	**226,970**	**-**	**-**	**-**	**226,970**
Other financial assets	**75,917**	**-**	**-**	**-**	**75,917**
	1,564,152	**132,920**	**84,798**	**-**	**1,781,870**
Customer deposits	**1,644,129**	**133,088**	**84,907**	**-**	**1,862,124**
Net on-balance sheet exposure	**(79,977)**	**(168)**	**(110)**	**-**	**(80,254)**
Increase in currency rate (cedi depreciation 3%)	**3%**	**3%**	**3%**	**3%**	**3%**
Effect on profit before tax	**(2,399)**	**(5)**	**(3)**	**-**	**(2,407)**

	USD	EUR	GBP	Others	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
At 31 December 2023					
Cash and balances with banks	456,094	84,817	72,159	-	613,070
Loans and advances	506,836	7	9	-	506,852
Non-trading assets	171,902	-	-	-	171,902
	1,134,832	84,824	72,168	-	1,291,824
Customer deposits	1,134,804	83,951	72,416	-	1,291,171
Net on-balance sheet exposure	28	873	(248)	-	653
Increase in currency rate (cedi depreciation 3%)	3%	3%	3%	3%	3%
Effect on profit before tax	1	26	(7)	-	20

3.5 Fair value of financial instruments

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Bank determines fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

Valuation models

The Bank measures fair values using the following fair value hierarchy, which reflects the significance of inputs used in making the measurements.

3.5 Fair value of financial instruments (continued)

iv. Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

v. 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.

vi. 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 riskfree 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. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

The Bank did not have any financial instruments measured at fair value as at 31 December 2024 (2023: Nil).

3.6 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems, or from external events. The Bank adopts a proactive and structured approach to operational risk management as a core part of its enterprise-wide risk framework. Key objectives include;

- Fostering a strong risk culture,
- Minimizing the frequency and impact of operational risk events,
- Ensuring compliance with regulatory and industry standards.

The Board of Directors has ultimate responsibility for risk governance, with delegated oversight to the Management Risk Committee (MRC). The MRC guides the implementation of the Operational Risk Management (ORM) Framework across the Bank and its subsidiary.

The ORM Framework outlines the governance structure, risk appetite, assessment methodologies, and reporting mechanisms. To manage and control operational risk, the bank uses various tools, including Risk and Control Self-Assessments, Key Risk Indicator monitoring, operational loss event data collection, operational risk event management and business process and control reviews.

These tools support effective identification, monitoring, and mitigation of operational risk across the Bank's activities. Operational risk reports and control performance indicators are regularly reviewed by Management and the Board to ensure exposures stay within approved appetite levels. Operational risk incidents are reported based on defined parameters. The Bank remains committed to enhancing operational resilience and continuously improving its risk management practices in response to evolving risks.

Operational risk events are classified in accordance with Basel standards, and the bank adopts the standardised approach to compute operational risk regulatory capital"

4. Capital management

4.1 Capital Adequacy

The Bank's objectives when managing capital include:

vii. Complying with capital requirements set by the Bank of Ghana;

viii. Safeguarding the Bank's ability to continue as a going concern to enable it to continue providing returns for shareholders and benefits for other stakeholders; and

ix. Maintaining a strong capital base to support the development of its business.

The Capital Requirements Directive (CRD) requires banks to implement Pillar 1 principles of Basel II. The Capital Requirement Directive (CRD) has four main parts.

4.1 Capital Adequacy (continued)

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 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 Bank's regulatory capital is divided into two tiers:

x. **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.

xi. **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.

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 table below summarise the composition of regulatory capital adequacy ratio of the Bank.

With Regulatory Reliefs:

	2024	2023
Ordinary share capital	**578,276**	402,431
Retained earnings b/f - audited	**(679,458)**	(464,238)
Retained (loss)/profit for the year	**(458,740)**	(215,220)
Statutory reserve	**115,447**	115,447
Other qualifying reserve (DDEP impairment deferred)	**531,954**	501,485
Total CET 1 capital before regulatory adjustment	**87,479**	339,905
Regulatory adjustments		
Intangibles (software)	**(2,327)**	(5,749)
Other intangibles	**(22,334)**	(22,818)
Impairment on assets (DDEP related)	**(404,158)**	(298,202)
Other regulatory adjustments	**(316,600)**	(315,146)
Total regulatory adjustment	**(745,419)**	(641,915)
Total CET 1 capital after regulatory adjustment	**(657,940)**	(302,010)
Additional Tier 1 (AT1) Capital	**-**	-
Total Tier 1 Capital (CET 1 + AT1)	**(657,940)**	(302,010)
Tier 2 Capital		
Revaluation and pension reserve	**164,215**	157,139
Total Tier 2 capital	**164,215**	157,139
Tier 2 for CAR (Limited to 3% of RWA)	**95,336**	90,351
Total regulatory capital	**(562,604)**	(211,659)

4.1 Capital Adequacy (continued)

With Regulatory Reliefs:

	2024	2023
Risk weighted assets		
On-balance sheet	**2,127,345**	2,059,943
Off-balance sheet	**95,102**	120,054
Operational risk	**855,098**	830,445
Market risk	**100,318**	1,269
Total risk weighted assets	**3,177,863**	3,011,711
Capital ratios		
Total Tier 1 capital/total risk weighted assets	**(20.70%)**	(10.03%)
Total Tier 2 capital/total risk weighted assets	**3.00%**	3.00%
Capital adequacy ratio	**(17.70%)**	(7.03%)
Leverage ratio		
Tier 1 capital	**(657,940)**	(302,010)
Total on balance sheet assets	**6,591,000**	5,279,667
Total off-balance sheet assets	**286,446**	312,636
Total exposure less regulatory adjustment	**6,132,026**	4,950,388
Leverage ratio	**(10.73%)**	(6.10%)

The table below summarise the composition of regulatory capital adequacy ratio of the Bank.

Without Regulatory Reliefs:

	2024	2023
Ordinary share capital	**578,276**	402,431
Retained earnings b/f - audited	**(679,458)**	(464,238)
Retained (loss)/profit for the year	**(458,740)**	(215,220)
Statutory reserve	**115,447**	115,447
Total CET 1 capital before regulatory adjustment	**(444,475)**	(161,580)
Regulatory adjustments		
Intangibles (software)	**(2,327)**	(5,749)
Other intangibles	**(22,334)**	(22,818)
Other regulatory adjustments	**(316,600)**	(315,146)
Total regulatory adjustment	**(341,261)**	(343,713)
Total CET 1 capital after regulatory adjustment	**(785,736)**	(505,293)
Additional tier 1 (AT1) capital	**-**	-
Total Tier 1 capital (CET 1 + AT1)	**(785,736)**	(505,293)
Tier 2 capital		
Revaluation reserve	**138,025**	130,949
Total tier 2 capital	**138,025**	130,949
Tier 2 for CAR (limited to 2% of RWA)	**63,557**	60,234
Total regulatory capital	**(722,179)**	(445,059)
Risk weighted assets		
On-balance sheet	**2,127,345**	2,059,943
Off-balance sheet	**95,102**	120,054
Operational risk	**855,098**	830,445
Market risk	**100,318**	1,269
Total risk weighted assets	**3,177,863**	3,011,711

4.1 Capital Adequacy (continued)

Without Regulatory Reliefs:

	2024	2023
Capital ratios		
Total Tier 1 capital/total risk weighted assets	**(24.73%)**	(16.78%)
Total Tier 2 capital/total risk weighted assets	**2.00%**	2.00%
Capital adequacy ratio	**(22.73%)**	(14.78%)
Leverage ratio		
Tier 1 capital	**(785,736)**	(505,293)
Total on balance sheet assets	**6,591,000**	5,279,667
Total off-balance sheet assets	**286,446**	312,636
Total Exposure less regulatory adjustment	**6,536,184**	5,248,590
Leverage ratio	**(12.02%)**	(9.63%)

5. Critical accounting estimates and judgements

The Bank'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 Bank makes estimates and assumptions that affect reported amounts of assets and liabilities. All estimates and assumptions required in conformity with IFRS Accounting Standards 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 Bank 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 Bank 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.

b) 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 Bank 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.

c) Leases

In determining the lease term, the Bank 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).

d) Impairment of investment securities

The Bank 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.

6. Net interest income

	2024		2023	
Interest income	**Bank**	**Group**	Bank	Group
Cash and cash equivalents	**106,168**	**106,168**	64,037	64,037
Loans and advances to customers	**226,952**	**226,952**	385,736	385,084
Investment securities	**270,066**	**270,066**	224,873	224,873
	603,186	**603,186**	674,646	673,994
Interest expense				
Deposits from customers	**242,552**	**242,552**	226,959	226,955
Other borrowings	**113,556**	**113,556**	135,800	135,800
	356,108	**356,108**	362,759	362,755
Net interest income	**247,078**	**247,078**	311,887	311,239

7. Net fee and commission income

Fee and commission income				
Fees on loans and advances	**10,690**	**10,690**	19,860	19,860
Fees on customer account servicing	**38,952**	**38,952**	31,989	31,989
Fees on electronic and card products	**24,833**	**24,833**	17,432	17,432
Fees on money transfer services	**1,888**	**1,888**	1,813	1,813
Fees on LC's issued & other trade services	**44,527**	**44,527**	42,325	42,325
	120,890	**120,890**	113,419	113,419
Fee and commission expense				
Fee and commission expense	**36,031**	**36,031**	22,802	22,802
	36,031	**36,031**	22,802	22,802
Net fee and commission income	**84,859**	**84,859**	90,617	90,617

8. Net trading income

	2024		2023	
	Bank	**Group**	Bank	Group
Foreign exchange	**36,877**	**36,877**	44,051	44,102
	36,877	**36,877**	440,51	44,102

9. Other income

Rental income	**453**	**453**	914	903
Profit on disposal of property and equipment	**1,628**	**1,628**	773	773
Sundry income	**34,933**	**39,638**	5,3,05	8,390
	37,014	**41,719**	6,992	10,066

Sundry income relates to exchange gain on visa transactions and bad debt recovered.

10. Net impairment charge/(release)

	2024		2023	
	Bank	**Group**	Bank	Group
Loans and advances to customers	**(84,888)**	**(84,888)**	641,103	641,103
Investment in debt securities	**-**	**11**	-	-
Contingent liabilities	**5,105**	**5,105**	184	184
Total before write off	**(79,783)**	**(79,772)**	641,287	641,287
Write off	**102,774**	**102,774**	108,725	108,725
	22,991	**23,002**	750,012	750,012

11. Personnel expenses

Wages and salaries	**139,806**	**139,840**	132,685	133,426
Social security cost	**10,412**	**10,412**	8,716	8,766
Provident fund contributions	**5,914**	**5,914**	5,084	5,105
Medical expenses	**14,602**	**14,602**	13,432	13,436
Retirement benefit	**23,060**	**23,060**	45,222	45,222
Other staff costs	**19,536**	**19,536**	10,860	10,874
	213,330	**213,364**	215,999	216,829

The number of persons employed by the Bank at the end of the year was 906 (2023: 1,035).

12. Depreciation and amortisation expense

	2024		2023	
	Bank	**Group**	Bank	Group
Property and equipment (Note 22)	**19,607**	**19,699**	17,629	17,701
Intangible assets (Note 21)	**3,904**	**3,904**	4,649	4,656
Right-of-use assets (Note 20)	**10,142**	**10,142**	6,243	6,243
	33,653	**33,745**	28,521	28,600

13. Other operating expenses

Other operating expenses include:

Software licensing and other information technology cost	**47,318**	**47,373**	37,367	37,371
Auditors renumeration	**986**	**1,044**	616	680
Advertising and marketing	**4,865**	**4,865**	3,866	3,866
Administrative expenses	**24,494**	**24,494**	27,180	27,414
Directors' emoluments	**3,933**	**4,104**	3,932	4,094
Occupancy	**20,158**	**20,158**	15,426	15,443
Other expenses	**130,586**	**133,236**	64,687	64,937
	232,340	**23**	153,074	153,805

Other expenses relate to legal expenses, consultancy fees, donations, corporate social responsibilities and other expenses that do not fall under the classification above.

14. Income tax

Income tax expense/(credit)

	2024		2023	
	Bank	Group	Bank	Group
Current income tax expense	-	465	8,989	9,182
Deferred income tax	-	(5)	(203,978)	(203,991)
	-	460	(194,989)	(194,809)

The tax on the Bank's loss before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	2024		2023	
	Bank	Group	Bank	Group
Loss before tax	(256,654)	(255,020)	(604,631)	(603,794)
Corporate tax rate at 25% (2023: 25%)	(64,164)	(63,755)	(151,158)	(150,949)
Non-deductible expenses	180,053	180,109	194,687	194,671
Other timing differences	(115,889)	(115,889)	(34,540)	(34,540)
Deferred tax	-	(5)	(203,978)	(203,991)
	-	460	(194,989)	(194,809)

Current income tax (Bank)

The movement in current income tax is as follows:

Year ended 31 December 2024	At 1 January	Charge for the year	Payments	At 31 December
Up to 2023	(14,486)	-	-	(14,486)
2024	-	-	(26,669)	(26,669)
	(14,486)	-	(26,669)	(41,155)
Group national fiscal stabilisation levy				
Up to 2023	(2,470)	-	-	(2,470)
2024	-	-	(1,548)	(1,548)
	(2,470)	-	(1,548)	(4,018)
Growth and sustainability levy				
2023	(1,635)	-	-	(1,635)
2024	-	-	-	-
	(1,635)	-	-	(1,635)
Financial sector recovery levy				
2023	(4,106)	-	-	(4,106)
2024	-	-	(1,547)	(1,547)
	(4,106)	-	(1,547)	(5,653)
Total	(22,679)	-	(29,764)	(52,461)

14. Income tax (continued)

The National fiscal stabilisation levy which was replaced by the growth and sustainability levy and National financial sector recovery levy are charged at 5% on profit before tax respectively. The levies are not an allowable tax deduction.

Current income tax (Group)

	At 1 January	Charge for the year	Payments	At 31 December
Year ended 31 December 2024				
Up to 2023	(14,805)	-	-	**(14,805)**
2024	-	424	(27,033)	**(26,609)**
	(14,805)	**424**	**(27,033)**	**(41,414)**
National fiscal stabilisation levy				
Up to 2023	(2,470)	-	-	**(2,470)**
2024	-	-	(1,548)	**(1,548)**
	(2,470)	**-**	**(1,548)**	**(4,018)**
Growth and sustainability levy				
2023	(1,634)	-	-	**(1,634)**
2024	-	41	(41)	-
	(1,634)	**41**	**(41)**	**(1,634)**
Financial sector recovery levy				
2023	(4,106)	-	-	**(4,106)**
2024	-	-	(1,547)	**(1,547)**
	(4,106)	**-**	**(1,547)**	**(5,653)**
Total	**(23,015)**	**465**	**(30,169)**	**(52,719)**

Current income tax (Bank)

	At 1 January	Charge for the year	Payments	At 31 December
Year ended 31 December 2023				
Up to 2022	-	-	-	-
2023	-	3,149	(17,635)	(14,486)
	-	3,149	(17,637)	(14,486)
National fiscal stabilisation levy				
Up to 2022	(1,925)	-	-	(1,925)
2023	-	-	(545)	(545)
	(1,925)	-	(545)	(2,470)
Growth and sustainability levy				
2022	-	-	-	-
2023	-	-	(1,635)	(1,635)
	-	-	(1,635)	(1,635)
Financial sector recovery levy				
2022	(1,925)	-	-	(1,925)
2023	-	-	(2,181)	(2,181)
	(1,925)	-	(2,181)	(4,106)
Total	(3,850)	3,149	(21,998)	(22,679)

14. Income tax (continued)

Current income tax (Group)

Year ended 31 December 2023	At 1 January	Charge for the year	Payments	At 31 December
Up to 2022	(248)	-	-	(248)
2023	-	3,329	(17,886)	(14,557)
	(248)	3,329	(17,886)	(14,805)
National fiscal stabilisation levy				
Up to 2022	(1,925)	-	-	(1,925)
2023	-		(545)	(545)
	(1,925)	-	(545)	(2,470)
Growth and sustainability levy				
2022	-	-	-	-
2023	-	-	(1,634)	(1,634)
	-	-	(1,634)	(1,634)
Financial sector recovery levy				
2022	(1,925)	-	-	(1,925)
2023	-	-	(2,181)	(2,180)
	(1,925)	-	(2,181)	(4,106)
Total	(4,098)	3,329	(22,246)	23,015

Deferred income tax

Deferred income tax is calculated using the enacted income tax rate of 25% (2023: 25%).

Year ended 31 December 2024	**At 1 January**	**Movement**	**At 31 December**
Bank			
PPE and intangible assets	**(45,083)**	**-**	**(45,083)**
Allowance for loan losses	**228,864**	**-**	**228,864**
Allowance for bond losses	**130,202**	**-**	**130,202**
	313,983	**-**	**313,983**
Group			
PPE and intangible assets	**(45,091)**	**-**	**(45,091)**
Allowance for loan losses	**228,864**	**-**	**228,864**
Allowance for bond losses	**130,202**	**5**	**130,207**
	313,975	**5**	**313,980**

14. Income tax (continued)

Year ended 31 December 2023	At 1 January	Movement	At 31 December
Bank			
PPE and intangible assets	(17,953)	(27,130)	(45,083)
Allowance for loan losses	22,405	206,459	228,864
Allowance for bond losses	152,548	(22,346)	130,202
	157,000	156,983	313,983
Group			
PPE and intangible assets	(17,966)	(27,117)	(45,083)
Allowance for loan losses	22,405	206,459	228,864
Allowance for bond losses	152,548	(22,346)	130,202
	156,987	156,996	313,983

Deferred income taxes are calculated on temporary differences using the liability method and using a principal tax rate of 25%. The Bank's deferred income tax assets increased to GH¢386 million in 2024 (2023: GH¢313 million). The additional deferred tax asset of GH¢73 million has not been recognised because taxable profits are not available against which they can be utilised.

15. Cash and cash equivalents

	2024		2023	
	Bank	**Group**	Bank	Group
Cash and balances with banks	**277,990**	**277,990**	259,432	259,432
Cash on hand	**218,281**	**218,281**	149,098	149,098
Balances with Bank of Ghana	**834,391**	**834,391**	570,816	570,816
Money market placement	**632,398**	**632,398**	22,715	22,715
Bills discounted	**252,332**	**252,332**	51,673	51,673
Foreign short-term deposits	**106,617**	**106,617**	104,533	104,533
	2,322,009	**2,322,009**	1,158,267	1,158,267

The balances with Bank of Ghana includes an amount of GH¢863 million (2023: GH¢691 million) representing mandatory reserve. This reserve represents and complies with the mandatory minimum of 15% (2023: 15%) of the Bank's total deposits and is not available for use in the Bank's day-to-day operations. The Bank had a special dispensation to use 15% as the benchmark for the computation of the cash reserve ratio. Cash on hand, items in course of collection and balances with Bank of Ghana are non-interest-bearing.

Cash and cash equivalents for the purposes of statement of cash flows comprise:

	2024	2023
Bank balances with Bank of Ghana	**834,391**	570,816
Balances with local and foreign banks	**277,990**	259,432
Cash on hand	**218,281**	149,098
Bills discounted	**252,332**	51,673
Foreign short-term deposits	**106,617**	104,533
Interbank placements	**632,398**	22,715
Cash and bank balances	**2,322,009**	1,158,267
Less: mandatory reserve with Bank of Ghana	**(863,297)**	(691,070)
	1,458,712	467,197

16. Loans and advances to customers

	2024		2023	
	Bank	**Group**	Bank	Group
Gross loans and advances	**1,797,721**	**1,794,868**	2,035,023	2,031,794
Expected credit loss allowance	**(830,569)**	**(830,569)**	(915,457)	(915,457)
Net loans and advances	**967,152**	**964,299**	1,119,566	1,116,337
The movement on impairment allowance on loans and advances is as follows:				
At 1 January	**915,457**	**915,457**	274,354	274,354
Impairment (release)/charge	**(84,888)**	**(84,888)**	641,103	641,103
	830,569	**830,569**	915,457	915,457
Amounts written-off as uncollectible	**(102,774)**	**(102,774)**	(108,725)	(108,725)
	864,378	**861,525**	1,010,841	1,007,612

17. Investment in debt securities

	2024		2023	
	Bank	**Group**	Bank	Group
Investment in securities	**2,115,514**	**2,128,581**	1,901,551	2,430,113
Expected credit loss	**-**	**-**	-	(520,809)
	2,115,514	**2,128,581**	1,901,551	1,909,304
Government bonds:				
Eurobond	**251,982**	**251,982**	190,301	190,301
Local dollar bond	**765**	**765**	691	691
Local cedi bond	**2,022,532**	**2,035,599**	1,620,858	1,628,611
	2,275,279	**2,288,346**	1,811,850	1,819,603
Derecognition (loss)/gain	**(159,765)**	**(159,765)**	89,701	89,701
	2,115,514	**2,128,581**	1,901,551	1,909,304

All investments in debt securities are non-pledged.

Investments are Open Market Operations instruments, bills and bonds issued by the Government of Ghana, Bank of Ghana and Cocoa Board. These are measured at amortised cost. During the year, the bank exchanged $17.2 million of its Eurobond for a series of new Eurobonds with maturity dates commencing from 2026-2035. The new Eurobonds were successfully settled on 9 October 2024 and duly allocated to the bank on the Central Securities Depository.

18. Investments in equity securities

	2024		2023	
	Bank	**Group**	Bank	Group
Equity investment	**2,196**	**408**	766	323
	2,196	**408**	766	323

The Bank's equity investments are in Prudential Securities LTD (A wholly-owned subsidiary), Airport West Hospitality LTD and Metro Mass Transport. The investments in these entities are immaterial and therefore the Bank does not report at fair value.

19. Other assets

	2024		2023	
	Bank	**Group**	Bank	Group
Accounts receivable	**403,636**	**403,636**	347,952	348,365
Prepayments	**12,664**	**12,664**	14,944	14,944
Repossessed collateral	**69,265**	**69,265**	77,700	77,700
Other	**7,385**	**7,819**	6,235	5,837
	492,950	**493,384**	446,831	446,846

20. Leases

The statement of financial position shows the following amounts in relation to leases:

	2024		2023	
The movement in right-of-use assets is as follows:	**Bank**	**Group**	Bank	Group
Cost				
At 1 January	**30,850**	**30,850**	23,949	23,949
Additions	**13,107**	**13,107**	8,326	8,326
Lease terminations	**(676)**	**(676)**	(1,425)	(1,425)
At 31 December	**43,281**	**43,281**	30,850	30,850
Accumulated depreciation				
At 1 January	**17,776**	**17,776**	12,007	12,007
Depreciation charge	**10,142**	**10,142**	6,243	6,243
Lease terminations	**-**	**-**	(474)	(474)
At 31 December	**27,918**	**27,918**	17,776	17,776
	15,363	**15,363**	13,074	13,074
The movement in lease liabilities is as follows:				
At 1 January	**3,057**	**3,057**	2,505	2,505
Additions	**9,099**	**9,099**	2,617	2,617
Finance cost	**403**	**403**	273	273
Payments	**(3,501)**	**(3,501)**	(2,123)	(2,123)
Lease terminations	**(639)**	**(639)**	(1,117)	(1,117)
Foreign exchange loss on lease liabilities	**1,112**	**1,112**	902	902
	9,531	**9,531**	3,057	3,057

A prepayment of GHS 4,008, (2023: GHS 5,709) for lease payments made during the period is included in the additions to the right of use and reported under financing activities.

21. Intangible assets

	2024		2023	
Cost	**Bank**	**Group**	Bank	Group
At 1 January	**44,701**	**44,814**	44,701	44,814
Additions	**482**	**482**	-	-
At 31 December	**45,183**	**45,296**	44,701	44,814
Accumulated amortisation				
At 1 January	**38,952**	**39,045**	34,303	34,389
Amortisation for the year	**3,904**	**3,911**	4,649	4,656
At 31 December	**42,856**	**42,956**	38,952	39,045
Net carrying amount	**2,327**	**2,340**	5,749	5,769

22. Property and equipment

Bank

	Plant and Machinery	Branch development	Motor vehicles	Furniture & fittings	Office equipment	Computer hardware	Capital work in progress	Land & Building	Total
Year ended 31 December 2024									
Cost									
At 1 January 2024	**7,237**	**15,389**	**20,170**	**11,445**	**27,257**	**49,685**	**9,154**	**386,776**	**527,113**
Additions	**-**	**-**	**-**	**1,800**	**2,407**	**4,579**	**15,116**	**-**	**23,902**
Disposals	**-**	**-**	**(1,540)**	**(41)**	**(1,139)**	**(175)**	**-**	**(376)**	**(3,271)**
At 31 December 2024	**7,237**	**15,389**	**18,630**	**13,204**	**28,525**	**54,089**	**24,270**	**386,400**	**547,744**
At 1 January 2024	**6,302**	**12,860**	**13,104**	**9,761**	**17,950**	**37,051**	**-**	**24,177**	**121,205**
Depreciation for the year	**267**	**686**	**2,235**	**863**	**2,322**	**6,536**	**-**	**6,698**	**19,607**
Disposals	**-**	**-**	**(1,476)**	**(41)**	**(1,086)**	**(175)**	**-**	**(109)**	**(2,887)**
At 31 December 2024	**6,569**	**13,546**	**13,863**	**10,583**	**19,186**	**43,412**	**-**	**30,766**	**137,925**
Net carrying amount	**668**	**1,843**	**4,767**	**2,621**	**9,339**	**10,677**	**24,270**	**355,634**	**409,819**

22. Property and equipment (continued)

Bank

2023	Plant & Machinery	Branch Development	Motor Vehicle	Furniture & Fittings	Office & Equipment	Computer Hardware	Capital Work in Progress	Land & Building	Total
Cost									
Balance at 1 January 2023	6,933	14,560	18,898	10,858	26,376	46,758	7,890	199,503	331,776
Additions during the year	304	1,038.00	2,004	651	1,098	3,212	1,264	-	9,571
Revaluation	-	-	-	-	-	-	-	187,979	187,979
Disposals/write-off	-	(209)	(732)	(64)	(217)	(285)	-	(706)	(2,213)
Balance at 31 December 2023	7,237	15,389	20,170	11,445	27,257	49,685	9,154	386,776	527,113
Accumulated Depreciation:									
Balance at 1 January 2023	5,785	12,399	11,213	9,124	15,670	31,429	-	19,489	105,109
Charge for the year	517	666	2,525	701	2,477	5,904	-	4,839	17,629
Disposals during the year	-	(205)	(634)	(64)	(197)	(282)	-	(151)	(1,533)
Balance at 31 December 2023	6,302	12,860	13,104	9,761	17,950	37,051	-	24,177	121,205
Net carrying amount	935	2,529	7,066	1,684	9,307	12,634	9,154	362,599	405,908

Group

2024	**Plant & Machinery**	**Branch Development**	**Motor Vehicles**	**Furniture & Fittings**	**Office Equipment**	**Computer Hardware**	**Capital Work in Progress**	**Land & Building**	**Total**
Cost or valuation:									
Balance at 1 January 2024	**7,237**	**15,389**	**20,337**	**11,544**	**27,293**	**49,894**	**9,154**	**386,776**	**527,624**
Additions during the year	**-**	**-**	**-**	**1,810**	**2,422**	**4,594**	**15,115**	**-**	**23,941**
Disposals/write-off	**-**	**-**	**(1,540)**	**(41)**	**(1,139)**	**(175)**	**-**	**(376)**	**(3,271)**
Balance at 31 December 2024	**7,237**	**15,389**	**18,797**	**13,313**	**28,576**	**54,313**	**24,269**	**386,400**	**548,294**
Accumulated Depreciation:									
Balance at 1 January 2024	**6,303**	**12,860**	**13,213**	**9,807**	**17,974**	**37,145**	**-**	**24,177**	**121,479**
Charge for the year	**267**	**686**	**2,267**	**878**	**2,328**	**6,576**	**-**	**6,697**	**19,699**
Disposals during the year	**-**	**-**	**(1,476)**	**(41)**	**(1,086)**	**(175)**	**-**	**(109)**	**(2,887)**
Balance at 31 December 2024	**6,570**	**13,546**	**14,004**	**10,644**	**19,216**	**43,546**	**-**	**30,765**	**138,291**
Net Book value at 31 December 2024	**667**	**1,843**	**4,793**	**2,669**	**9,360**	**10,767**	**24,269**	**355,635**	**410,003**

22. Property and equipment (continued)

2023	Plant & Machinery	Branch Development	Motor Vehicles	Furniture & Fittings	Office Equipment	Computer Hardware	Capital Work in Progress	Land & Building	Total
Cost or valuation:									
Balance at 1 January 2023	6,933	14,560	19,065	10,957	26,406	46,915	7,890	199,503	332,229
Additions during the year	304	1,038.00	2,004	651	1,104	3,264	1,264	-	9,629
Revaluation	-	-	-	-	-	-	-	187,979	187,979
Disposals/write-off	-	(209)	(732)	(64)	(217)	(285)	-	(706)	(2,213)
Balance at 31 December 2023	7,237	15,389	20,337	11,544	27,293	49,894	9,154	386,776	527,624
Accumulated depreciation:									
Balance at 1 January 2023	5,786	12,399	11,290	9,156	15,691	31,500	-	19,489	105,311
Charge for the year	517	666	2,557	715	2,480	5,927	-	4,839	17,701
Disposals during the year	-	(205)	(634)	(64)	(197)	(282)	-	(151)	(1,533)
Balance at 31 December 2023	6,303	12,860	13,213	9,807	17,974	37,145	-	24,177	121,479
Net Book value at 31 December 2023	934	2,529	7,124	1,737	9,319	12,749	9,154	362,599	406,145

Group

	2024		2023	
	Bank	**Group**	Bank	Group
Cost	**3,271**	**3,271**	2,213	2,213
Accumulated depreciation	**(2,887)**	**(2,887)**	(1,533)	(1,533)
Carrying amount	**384**	**384**	680	680
Proceeds from disposal	**2,012**	**2,012**	1,453	1,453
Gain on disposal	**1,628**	**1,628**	773	773

23. Deposits from banks and other financial institutions

	2024		2023	
	Bank	**Group**	Bank	Group
Deposits from financial institutions	**18,496**	**18,496**	9,204	9,204
	18,496	**18,496**	9,204	9,204

24. Deposits from customers

	2024		2023	
	Bank	**Group**	Bank	Group
Current accounts	**2,314,250**	**2,313,496**	1,829,905	1,825,799
Savings accounts	**1,773,179**	**1,773,179**	1,195,680	1,195,680
Call deposit	**1,170,551**	**1,170,551**	456,374	456,374
Term deposits	**478,835**	**478,835**	1,115,967	1,115,967
	5,736,815	**5,736,061**	4,597,926	4,593,820

The 20 largest depositors constitute 21% of total deposit for 2024 (2023: 25%) of total deposits.

25. Borrowings

	2024		2023	
	Bank	**Group**	Bank	Group
Money market borrowings	**333,457**	**333,457**	150,989	150,989
Repurchase agreement	**286,556**	**286,556**	234,741	234,741
Preference share capital	**80**	**80**	80	80
	620,093	**620,093**	385,810	385,810

26. Other liabilities

	2024		2023	
	Bank	**Group**	Bank	Group
Short term employee benefit	**3,351**	**3,351**	3,549	3,549
Creditors and accruals	**141,770**	**148,487**	142,122	148,723
Other	**3,391**	**3,391**	2,696	2,697
	148,512	**155,229**	148,367	154,969

27. Employee benefit liabilities

Defined employee benefit obligation	**2024**	2023
Opening balance	**44,306**	-
Current service cost	**2,540**	52,262
Interest cost	**9,244**	-o
Benefit paid	**(6,487)**	(7,956)
Actuarial gains or loss on assumptions	**(8,182)**	-
Actuarial gains on loss experience	**1,106**	-
	42,527	44,306
Plan asset		
Opening balance	**9,321**	-
Contribution	**-**	9,321
Expected return on plan asset	**2,238**	-
Closing balance	**11,559**	9,321
	47,330	34,985

28. Stated capital

	2024		2023	
	No. of shares	Proceeds	No. of shares	Proceeds
	('000)		('000)	
Ordinary shares	**4,000,000**	**-**	4,000,000	-
Issued for cash consideration	**724,832**	**358,451**	724,832	358,451
Issued for consideration other than cash	**3,075**	**30**	3,075	30
Capitalisation issued	**1,219,795**	**224,914**	155,300	43,950
Transaction cost	**-**	**(5,119)**	-	-
	1,947,702	**578,276**	883,207	402,431

The movement in ordinary shares is as follows:

	2024		2023	
	No. of shares	Proceeds	No. of shares	Proceeds
	('000)		('000)	
At 1 January	**883,207**	**402,431**	883,207	402,431
Issued for cash consideration	**1,064,495**	**180,964**	-	-
Transaction cost	**-**	**(5,119)**		
	1,947,702	**578,276**	883,207	402,431

The Bank's authorised ordinary shares as at 31 December 2024 is 4 billion shares of no par value (2023: 4 billion ordinary shares of no par value).

In September 2024, the Bank issued a right issue of 1,064,495 ordinary shares to Ghana Amalgamated Trust for consideration of bond worth GH¢181 million.

There is no liability and no call or instalment unpaid on any share. There is no share in treasury.

29. 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.

30. 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.

	2024	2023
Impairment provision per Bank of Ghana prudential guidelines	**1,032,655**	915,457
ECL provision per IFRS	**(830,569)**	915,457
At 31 December	**202,086**	-

31. Retained earnings

The amount in retained earnings represents profits retained after appropriations which is attributable to shareholders.

32. Revaluation reserve

The amount in revaluation reserve relates to revaluation gain on the revaluation of land and building over the years.

33. Other reserve

Other reserves represent actuarial gains and losses on pension obligations as disclosed in note 29.

34. 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.

	2024		2023	
	Bank	Group	Bank	Group
Loss attributable to equity holders	(256,654)	(255,480)	(409,642)	(408,985)
Number of ordinary shares ('000)	1,947,702	1,947,702	883,207	883,207
Basic earnings per share (expressed in Ghana pesewas)	(0.1164)	(0.1312)	(0.4638)	(0.4631)
Diluted earnings per share (expressed in Ghana pesewas)	(0.1164)	(0.1312)	(0.4638)	(0.4631)

35. Cash generated from operations

		2024		2023	
	Note	Bank	Group	Bank	Group
Loss before tax		(256,654)	(255,020)	(604,631)	(603,794)
Adjustments for:					
Net interest income	6	(247,078)	(247,078)	(294,460)	(293,812)
Depreciation and amortization	12	33,653	33,751	28,521	28,600
Impairment on financial assets	10	22,991	23,002	750,012	750,012
Derecognition (loss)/gain	17	159,765	159,765	(89,701)	(89,701)
Bad debt written off	16	(102,774)	(102,774)	(108,725)	(108,725)
Net profit on disposal of PPE	22	(1,628)	(1,628)	(773)	(773)
Interest expense on lease	20	403	403	273	273
Exchange loss	20	1,112	1,112	902	902
Gain on derecognition of lease	20	(639)	(639)	(166)	(166)
Change in investment other than securities		(1,430)	(85)		(64)
Change in loans and advances to customers		146,463	146,087	49,405	49,104
Change in mandatory reserve cash with Bank of Ghana	15	(172,227)	(172,227)	(691,070)	(691,070)
Change in other assets		(46,119)	(46,538)	(336,900)	(336,985)
Change in deposits from banks		9,292	9,292	2,979	2,979
Change in deposits from customers		1,138,889	1,142,241	1,222,878	1,221,761
Change in other liabilities		12,950	15,097	4,341	4,326
Change in employee defined benefit		(4,017)	(4,017)	34,985	34,985
Interest received		563,262	560,835	674,646	673,994
Interest paid		(429,838)	(429,838)	(380,186)	(380,182)
Cash generated from operations		**826,376**	**831,741**	**262,330**	**261,664**

36. Contingent liabilities

Legal proceedings

There are legal proceedings against the Bank. There are no contingent liabilities as at 31 December 2024 associated with legal actions as professional advice indicates that it is unlikely that any significant loss will arise (2023: Nil).

Capital commitments

At the reporting date, the Bank had no significant capital commitments in respect of authorised and contracted projects.

Off-balance sheet items

The contractual amounts of the Bank's off-balance sheet financial instruments that commit it to extend credit to customers, guarantees and other facilities are as follows:

	2024	2023
Bonds and guarantees	**144,252**	146,340
Letters of credits and other documentary credits	**118,015**	166,296
	262,267	312,636

37. Corporate social responsibility

During the year, the Bank committed a total of GH¢1.36 million (2023: GH¢ GH¢1.1 million) to Corporate Social Responsibility activities.

38. Related parties

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.

	2024	
Loans and advances to Key Management Personnel	**Maximum balance**	**Closing balance**
Mortgage lending and other secured loans	**3,989**	**3,815**
Other loans	**283**	**207**
	4,272	**4,022**
		2023
Mortgage lending and other secured loans	3,907	3,907
Other loans	690	306
	4,597	4,213

Loans and advances to employees	2024	2023
Balance at 1st January	**92,099**	82,303
Loans advanced during the year	**19,313**	24,206
Loan repayments received	**(20,610)**	(14,410)
	90,802	92,099

Loans and advances to Directors and their associates

The Group has entered transactions with its directors and their associates, associate companies or directors as follows:

	2024	2023
Gross amount at 1st January	**-**	1,115
Accrued interest	**-**	167
Repayments	**-**	(1,282)
	-	-

38. Related parties (continued)

Included in loans and advances is GHS Nil (2023: GHS Nil) advanced to companies in which some of the members of the Board of Directors have interest.

Included in deposits is approximately GHS4,100,000 (2023: GHS4,100,000) due to subsidiary companies.

Interest paid on these deposits during the year amounted to GHS0.00 (2023: GHS0.00).

Loans and advances to Shareholders and their associates

The Group has entered into transactions with its Shareholders and their associates, associate companies or directors as follows:

	2024	2023
Gross amount at 1st January	**129,947**	100,812
Accrued interest	**7,202**	32,685
Repayments	**(30,192)**	(3,550)
Balance as at 31st December	**106,957**	129,947

Group entities

Significant subsidiaries of the Bank	Country of incorporation	Ownership interest	
		2024	2023
Prudential Securities LTD	Ghana	**100%**	100%
The Bank has entered into transactions with its subsidiary as follows:			
Gross amount at 1st January		**5,251**	5,689
Accrued interest		**549**	
Repayments		**-**	(438)
Balance as at 31st December		**5,800**	5,251

39. Non-compliance with sections of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930)

There were no instances of non-compliance during the year.

40. Going concern

We draw attention to note 2.1.1 to these financial statements, which indicates that the Bank incurred a net loss of GH¢257 million for the year ended 31 December 2024 and as at that date, the Bank had a capital shortfall of GH¢1,135 million. As stated in Note 2.1.1, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Bank's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The directors acknowledge that the Bank may require further funding in order to continue as a going concern. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Bank's ability to continue as a going concern.

The financial statements have been prepared on the going concern basis because the directors of the banks are confident that they will be able to complete the approved capitalisation plan within the next twelve months. We obtained the no-objection letter from Bank of Ghana approving the private investor, Bloom Africa Holding Limited's commitment to provide the additional capital.

These financial statements do not reflect the adjustments to the carrying value of assets and liabilities or the classifications that would be necessary if the Bank were unable to realise its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

41. Events occurring after the reporting period

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 2024.

42. Restatement of comparative information

During the year ended 31 December 2023, management noted a wrong classification of operating expenses in interest expense. This error has been corrected by restating each of the financial statement line items for the prior period. The following tables summarise the impact on the Bank's financial statements.

Bank's statement of comprehensive income for the year ended 31 December 2023

	Note	As previously reported	Impact of correction of errors	Restated
Interest income		674,646	-	674,646
Interest expense	2	(380,186)	17,427	(362,759)
Net interest income		294,460	17,427	311,887
Fee and commission income		113,419	-	113,419
Fee and commission expense		(22,802)	-	(22,802)
Net fee and commission income		90,617	-	90,617
Net trading income		44,051	-	44,051
Other income		6,992	-	6,992
		51,043	-	51,043
Operating income		436,120	17,427	453,547
Net impairment charge		(660,311)	-	(660,311)
Finance cost		(273)	-	(273)
Personnel expenses		(215,999)	-	(215,999)
Depreciation and amortisation expense		(28,521)	-	(28,521)
Other operating expenses	1	(135,647)	(17,427)	(153,074)
Profit before tax		(604,631)	-	(604,631)
Income tax expense		194,989	-	194,989
Profit after tax		(409,642)	-	(409,642)
Other comprehensive income				
Revaluation gain		187,979	-	187,979
Deferred tax on revaluation		(46,995)	-	(46,995)
Other comprehensive income (net of tax)		140,984	-	140,984
Total comprehensive income		**(268,658)**		(268,658)

Note

1. This adjustment relates to the correction of an error in operating expense of GHS17 million wrongly classified to interest expense in the prior year.


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Appendices

APPENDIX I

Shareholders' information

	No. of Shares	% of Holding
1. Ghana Amalgamated Trust	**1,479,602,521**	**75.97%**
2. Frank Owusu	**151,006,472**	**7.75%**
3. J.S. Addo Consultants Limited	**76,208,525**	**3.91%**
4. Trustees of PBL Staff Provident Fund	**57,148,541**	**2.93%**
5. Akwasi Aboagye Atuah	**38,254,761**	**1.96%**
6. Ghana Union Assurance Co. Limited	**37,510,676**	**1.93%**
7. Stephen Sekyere-Abankwa	**32,296,178**	**1.66%**
8. Nortey Kwashie Omaboe	**32,030,000**	**1.64%**
9. Kofi O. Esson	**18,482,248**	**0.95%**
10. NTHC Brokerage Services Limited	**14,560,000**	**0.75%**
11. John Kpakpo Addo	**7,281,000**	**0.37%**
12. Nana Agyei Duku	**3,321,440**	**0.17%**
Total	**1,947,702,362**	**100.00%**

APPENDIX II

VALUE ADDED STATEMENT

(All amounts are in thousand Ghana cedis)

	2024	2023
Interest earned and other operating income	**724,076**	788,065
Direct cost of services and other costs	**(620,944)**	(534,976)
Value added by banking services	**103,132**	253,089
Non-banking income	**73,891**	51,043
Impairments	**(66,389)**	(660,311)
Derecognition loss on investment securities	**(116,367)**	-
Value added	**(5,733)**	(356,179)
Distributed as follows:		
To Employees and Board of Directors		
Directors (without executives)	**(3,938)**	(3,932)
Executive directors	**(1,608)**	(1,544)
Other employees	**(211,722)**	(214,455)
	(217,268)	(219,931)
To Government:		
Income tax	**-**	194,989
To providers of capital		
Dividends to shareholders	**-**	-
To expansion and growth		
Depreciation and amortisation	**(33,653)**	(28,521)
Retained earnings	**(256,654)**	(409,642)

APPENDIX III

SUSTAINABILITY REPORT

Our journey towards sustainable banking

Introduction

As geographical uncertainties have become a part of everyday life, Sustainability therefore remains an unwavering indicator of the direction we must take. The 2024 financial year witnessed a continuous delivery on our core mandate which requires that we remain steadfast in our commitment to the Sustainable Development Goals, Paris Agreement on Climate Change as well as the Ghana Sustainable Banking Principles.

Our 2024 Sustainability report highlights our forward-looking approach and basically illustrates how we do our business of banking as we compare to benchmarks on relatable environmental, social, governance, inclusivity and ethical factors. We continue to make strides in relation to our seven (7) tenets of sustainability and also acknowledge that we can only meet the expectations of our stakeholders (with even greater progress) through Sustainability.

Environmental & Social Risk Management

Environmental and Social Risk Management (ESRM) remains an integral part of our client engagement and lending criteria. Hence, the incessant implementation of our formalized considerations for Environmental, Social as well as Governance tenets as part of our due diligence process as a complement for conventional analysis. Our goal is to ensure that we contribute to our lending decisions and advance measures to ensuring compliance with our principles in line with requirements of our Environmental and Social Risk Policy.

Our processes require that negative environmental and social impacts are avoided and where possible, we engage with stakeholders on mitigation measures with the aim of reducing our risks while generating returns. The 2024 Financial Year saw a continuous screening of environmentally sensitive clients and/or transactions to enable us manage and in some cases avoid the negative impacts of E&S risks on our clients' operations as well as communities where they operate.

In the year under review, we continued with our training cycle for key players in our business network to ensure that the management of E&S risks is properly integrated into our decision-making processes and to guarantee a better implementation of our E&S procedures and commitments. This covered understanding the main components of our E&S risk management systems. We also took advantage of these staff engagement sessions to present and also take feedback on progress made with regards to the implementation of our ESRM system.

To ensure that we maintain collective expertise amongst our dedicated team, we did grow our sustainability-related expertise by enrolling our staff to undertake training programs in Environmental, Social and Governance (ESG) which earned them ESG expert certifications.

Internal Carbon Footprint

As the world transition towards a low-carbon economy (i.e. shifting from fossil fuels usage to renewable energy sources, improving and adopting sustainable practices), Prudential Bank continues to leverage our experience in the last couple of years towards managing environmental-and social related risks and opportunities. By setting benchmarks that guide our business of banking aimed at ensuring that we remain catalyst for the just-transition towards a low-carbon economy.

We understand that failure to contribute to the reduction in global temperature will mean increasing physical risk and rising cost of adaptation.

[We are mindful of the inequities of transition among developing countries and will continuously recommend the support of Development Finance Institutions towards this transition].

We have introduced tools to enable us measure and track consumption of resources towards the calculation of our contribution to the carbon-mix in the atmosphere. Our tools are meant to enable us keep track of our carbon inventory as part of our operations. Our aim is to become "Greener", i.e. to focus not only on the mitigation of the consequences of climate change, but also do our bit to reduce the emissions of greenhouse gases that leads to climate change in the first place. So far, we have populated data from our branches and currently screening for authentication to allow for complete and accurate disclosure.

On the regulatory side, we have adopted the directive from the Central Bank on Climate-Related Financial Risks and taken steps towards the implementation of same as part of our business operations.

Gender Equality, Diversity and Inclusion

Gender equality remains pivotal in our operations as PBL aims to ensure that diversity, inclusion and equality is engrained in our operations. We believe that having an inclusive workforce-that is reflective of diverse backgrounds and perspectives – and creating equitable access to opportunities in our business pursuits, makes our business stronger and more profitable. This could be achieved through fostering an inclusive work environment where employees are encouraged to bring their authentic and most productive selves to work.

In that regard, we did introduce our maiden "Gender equality and women empowerment program" with the goal of encouraging women business leadership whiles developing a strong pipeline of female business leaders.

Our maiden initiative which aligned with the vision of the 2024 International Women's Day (IWD) saw us host female employees of our southern sector branches on the theme "Empowering women for sustainable business growth" with key speakers from diverse backgrounds to provide insight and inspire that segment of our female employees to make decisions in their own interest.

We continue to engage female employees of PBL on our gender equality and women empowerment which remains the initiative that fuels our ambition of female employees to aspire for leadership roles thereby promoting diverse ideas and knowledge to our business. Our northern sector branches benefitted from our Women empowerment series in the 2024 financial year with a blend of Speakers who shared their experiences as well as providing guidance and coaching to female participants present. Our initiatives only give credence to the fact that we are long- focused on the empowerment and advancement of our female employees.

Corporate Governance and Ethical Standards

PBL's governance system is underpinned by a number of decision-making and supervisory bodies as well as specialized committees which are responsible for ensuring that the Bank's strategic and operational decisions are properly implemented.

Our governance framework is integral in supporting our business and helping us deliver on our sustainability strategy. It provides the structure through which we set our objectives, monitor our performance and manage the risks we face and provides guidance on the standards of behavior we expect of each other.

Through various committees, the Board gives effect to our sustainability framework which primarily forms the approach we take to deliver on our sustainability goals. The Board supports our efforts to mitigate risk associated with Sustainability and exploit related opportunities.

Each of the committees of the Board operates under terms of reference with clearly defined roles and responsibilities with their composition and scope of activities clearly defined as stated in pages 25 to 41 of this report.

The Board is kept abreast of efforts by management towards risks and hence ensuring that we deliver against our sustainability framework.

Financial Inclusion

Financial Inclusion remains critical for the development of Ghana and Prudential Bank as a business. Over the years, the rapid growth in mobile phone subscriptions and the introduction of digital platforms have introduced changes to our financial landscape.

For the period under review, Prudential Bank launched its Mobile App to enable us meet our twin goal, which is to reduce the cost of providing banking services and serving our customers in a faster and more convenient manner. For us, the frontier is transitioning from access to active usage of broader range of financial services.

Financial inclusion remains a catalyst for achieving seven (7) of the seventeen (17) Sustainable development goals as it fosters economic growth, employment, promotes economic empowerment and contributes to eliminating poverty. Digital financial inclusion therefore provides an important tool to building resilience and realizing the shared prosperity envisioned by the SDGs. Having taken steps as a bank to improve operational effectiveness, our core objective is to meet the challenges of the digital space and ensure that we have an effective and robust digital platform which is more agile and responsive to the needs of our customers, thereby positioning Prudential Bank for sustained growth.

In this regard, we have initiated partnership discussions with the United Nations Industrial Development Organization (UNIDO), West Africa Competitiveness Program (WACOMP) which remains a European Union funded intervention that seeks to promote value-addition through low carbon sustainable production and processing aimed at increased access to regional and international markets. Amongst others, this partnership seeks to continuously link our SME businesses to financial literacy, awareness creation on financial instruments and support uptake of financial products aimed at promoting financial inclusion and sustainability of SMEs.

Resource Efficiency

.... We deliver more with less

In the area of resource efficiency, we remain on track to meet our two targets; first, to populate resource data and secondly to recycle waste products for gains. The 2024 Financial year saw the introduction of our maiden "Waste Segregation and Management Program" as a means to ensuring that we first of all segregate our waste and secondly, recycle waste into finished goods (and in some cases get cash in return) thereby promoting the concept of Circular economy within the sustainability nexus.

The concept of Circular economy remains a fast-growing field of applied economics i.e. bringing economic processes closer to logic of natural lifecycles.

To us, resource efficiency means using the earth's limited resources in a manner that is sustainable, whilst minimizing its impact on the environment. To this end, we remain strong advocates of models that allow for production and consumption in a manner that emphasizes sustainability (which requires producers to do more or create more value with finite resources).

As a bank, we have put in measures aimed at minimizing resource consumption and waste throughout our operations by introducing tools to populate data on our consumption of electricity consumption, water usage, paper as well as waste reduction and recycling efforts.

Achieving Sustainable Impact

"our business offers more than just financial gains"

In the past year, PBL continued to champion sustainability across our operations. Our holistic approach to screening our credit requests consequently have led to key corporate business clients undergoing a sustainability impact assessment with a primary focus of fostering compliance with local legal legislation whiles promoting environmental stewardship.

Our commitment extends to using our thought leadership and advocacy to drive meaningful actions in addressing sustainability-related issues, which has become not only a continental but also a global challenge hence our continuous advocacy to promoting Sustainability through circularity.

Therefore, in our quest to decouple our business growth from resource consumption we introduced an Initiative dubbed 'PBLs waste management and segregation' which has seen the recycling of twelve (12) tonnes of waste paper (i.e. translating into 3,150 pieces of tissue and 120 pieces of hand towels) for usage which hitherto would have been disposed-off as waste. This implies that we have recycled waste paper into a resource. The Calendar year also saw us institute as part of our waste segregation, an initiative dubbed 'Bin it Right, Keep PBL Bright' by deploying twenty-four (24) bins at strategic locations at Our Head Office and Head Office Annex buildings as part of a piloting program to initiate a scheme to allow for the proper segregation of waste. Bins deployed had designated colours for ease of identification. The success of the program will inform considerations to extend same across all our branches in the coming year.

The German Corporation (GIZ) in recognizing the increasing proliferation of single-use plastic bags in the environment and their negative impacts on human health, wildlife amongst others has introduced a voluntary pact aimed at reducing its use through sustainable practices, innovative solutions and consumer education.

GIZ's goal is to reduce the use of single-use bags by 50% by 2030 which aligns with the ideals of our waste segregation and management program and contributes to plastic waste reduction efforts as well. The pact expressly has the following objectives;

1. Environmental Protection: Reduce plastic pollution and mitigate its harmful effects on Ghana's ecosystems.
2. Collaborative Action: Unite businesses and other stakeholders to transition away from single-use plastics through collective efforts.
3. Sustainable Practices: Encourage the widespread adoption of environmentally friendly alternatives to single-use plastic bags.
4. Consumer Awareness: Educate consumers about the environmental impact of plastic waste and inspire sustainable shopping habit.

We look forward to joining this pact in the coming year to help drive the plastic – free agenda.

To ensure PBL's alignment with the global Sustainable Development Goals, our maiden women empowerment program was targeted at meeting the ideologies of Goal 5 of the global Sustainable Development Goals with a vision that aligns with the theme of the international women's day (IWD 2024), which is, 'Invest in Women: Accelerate Progress'. Ultimately this initiative is targeted at promoting the sense of self-worth for our female employees as well as their role as accelerators of business and social change mainly for themselves and colleague employees or people they interact with. We believe that women empowerment allows for women to take control of and access opportunities that were previously inaccessible.

Through the Institute of Directors Ghana and the International Finance Corporation, Our Board as well as key management personnel benefitted from a 'masterclass' on developing trends in Environmental, Social and Governance (ESG) concepts with the aim of building their capacity to champion ESG initiatives. This presented a rare opportunity which provided a learning platform to senior management to allow for leveraging of these global trends to help maximize PBL's corporate performance and profitability.

APPENDIX IV

CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT

Prudential Bank holds in high esteem the charge to support the communities in which it operates. In 2024, the Bank spent over 1.4 million Ghana Cedis on activities aimed at giving back to society and improving lives. This figure represented a more than 20% increase over the 2023 figure of about 1.1 million Ghana Cedis.

This expense covered activities undertaken within the Bank's CSR pillars, which include Education, Health, Environment, and Socio-Economic interventions. Some key activities the Bank engaged in during the year under review include, but are not limited to, the following:

- In the area of health, the Bank undertook a number of health screening activities to promote the well-being of the citizenry under the United Nations Sustainable Development Goal 3.
- The Bank partnered with selected health institutions to screen over three thousand people for breast and prostate cancers, hypertension, and diabetes in Accra, Tema, Koforidua, Kumasi, Cape Coast, Sunyani, Takoradi, and Tamale.

Additionally, the Bank made cash donations to the Trust Hospital and the National Radiotherapy Oncology & Nuclear Medicine Centre to support patients and survivors of cancer-related ailments. While the donation to the Trust Hospital celebrated breast cancer survivors as a way of encouraging early check-ups, the contribution to the Oncology Centre in Accra provided financial support to patients who needed long-term care.

As part of the Bank's commitment to improving public health, particularly among children, the Bank donated a vaccine refrigeration unit to the Jubilee Catholic Children's Hospital in Takoradi, Western Region. This intervention addressed the hospital's long-standing challenge of vaccine spoilage due to inadequate storage facilities. The availability of proper refrigeration has significantly enhanced vaccine preservation and contributed to improved immunization coverage within the Takoradi metropolis.

Appendices - cont'd

In education, Prudential Bank supported the installation of projectors in the lecture halls of Kumasi Technical University (KsTU). These projectors will enable lecturers to display lecture notes and other teaching materials in real time, improving teaching and learning at the university.

Prudential Bank has been a major benefactor of the annual Ghana Teacher Prize, which recognises the contributions of teachers to the academic development of children in the country. The Bank donated a 4X4 Nissan Navara double-cabin pickup truck to the Ministry of Education and the National Teaching Council. This marks the sixth consecutive year the Bank has donated vehicles to serve as the prize for the first runner-up, thus motivating teachers to excel in their vocation.

Finally, in 2024, Prudential Bank, in collaboration with the Member of Parliament for the Awutu Senya Constituency, donated thirty desktop computers with accessories and two Samsung TV sets to selected basic schools in the community for their ICT laboratories. This gesture provided hands-on computer training to the children in these schools, promoting practical ICT learning in rural communities within the constituency.

APPENDIX V

BRANCH & ATM LOCATIONS

BRANCH	ATM LOCATION
ABEKA LAPAZ BRANCH	ABEKA LAPAZ
	ABEKA LAPAZ II
TESANO BRANCH	TESANO
	ABELEMKPE
ABOABO BRANCH	ABOABO
	ABOABO II
ABOSSEY OKAI BRANCH	METHODIST UNIVERSITY
	ABOSSEY OKAI
ADENTA BRANCH	ADENTA
	ADENTA II
KUMASI ADUM BRANCH	ADUM
	ADUM II
	SG MALL
AFFUL NKWANTA BRANCH	AFFUL NKWANTA
	AIRPORT CITY
ATONSU BRANCH	ATONSU
	KNUST
EAST LEGON BRANCH	BAWALESHIE
	EAST LEGON
CANTONMENTS BRANCH	CANTONMENTS
CAPE COAST BRANCH	CAPE COAST
GICEL BRANCH	GICEL
HAATSO BRANCH	HAATSO
RING ROAD CENTRAL BRANCH	OSU
	RING ROAD CENTRAL LOBBY
	HEAD OFFICE
ACCRA BRANCH	KINGSWAY BUILDING

BRANCH	ATM LOCATION
NUNGUA BRANCH	KOFI ANNAN IPTC
KOFORIDUA BRANCH	KOFORIDUA
KUMASI MAIN BRANCH	COCOBOD HOUSE
MADINA BRANCH	MADINA
	MADINA II
MATAHEKO BRANCH	MATAHEKO
NUNGUA BRANCH	NUNGUA
ODORKOR BRANCH	ODORKOR
	ODORKOR II
OKAISHIE BRANCH	OKAISHIE
SANTASI BRANCH	SANTASI
SPINTEX BRANCH	SPINTEX
SUAME MAAKRO BRANCH	SUAME MAAKRO
SUNYANI BRANCH	SUNYANI
UNIVERSITY OF CAPE COAST BRANCH	UNIVERSITY OF CAPE COAST CAMPUS
	UNIVERSITY OF CAPE COAST MAIN
	SUPERNUATION BUILDING - UNIVERSITY OF CAPE COAST
TAIFA BRANCH	TAIFA
TAKORADI HARBOUR BRANCH	TAKORADI HARBOUR
TAKORADI MARKET CIRCLE BRANCH	TAKORADI MARKET CIRCLE
TAMALE BRANCH	TAMALE
TECHIMAN BRANCH	TECHIMAN
TEMA COMMUNITY ONE BRANCH	TEMA COMMUNITY ONE
TEMA FISHING HARBOUR BRANCH	TEMA FISHING HARBOUR
UNIVERSITY OF GHANA LEGON	LEGON - ACCRA
VALLEY VIEW BRANCH	VALLEY VIEW
	VALLEY VIEW II
WEIJA BRANCH	WEIJA

Sustainability at PBL

Our Tenets

- Environmental and Social Risk Management
- Internal Carbon Footprint
- Corporate Governance & Ethical Standards
- Gender Equality, Diversity and Inclusion
- Financial Inclusion
- Resource Efficiency
- Reporting

Our Journey Towards Sustainable Banking

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