UBA
United Bank for Africa

UBA GHANA Annual Report 2023

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UBA

Business Overview

Welcome

Leading the industry with ground-breaking bespoke solutions.

Dear Shareholders, Colleagues, and Stakeholders,

It is with great pleasure that we present to you the 2023 Annual Report of UBA Ghana Ltd. This year has been marked by outstanding achievements, reaffirming our position as a leader in the banking industry. We are proud to announce that UBA Ghana clinched an impressive 22 awards, including the prestigious titles of Bank of the Year and SME Bank of the Year. These accolades reflect our unwavering commitment to excellence, innovation, and customer-centricity.

One of the key highlights of our journey in 2023 has been our relentless focus on digital evolution and enhancing customer experience. In an era of rapid technological advancements, we have embraced digital transformation to better serve our customers. Our digital initiatives have not only streamlined processes but have also enhanced accessibility, convenience, and security for our valued customers.

At UBA Ghana, we firmly believe in a customer-first philosophy. Every decision, every innovation, and every interaction is driven by our commitment to putting our customers at the forefront. We strive to exceed customer expectations by delivering exceptional service, personalized solutions, and seamless experiences across all touchpoints.

In addition to our digital prowess and customer-centric approach, we have continued to uphold the highest standards of corporate governance, sustainability, and social responsibility. Our efforts to create positive impact extend beyond financial success, as we remain dedicated to contributing meaningfully to the communities we serve.

As you navigate through this annual report, we invite you to explore our financial performance, strategic initiatives, and the stories of impact that define our journey in 2023. We express our sincere gratitude to our shareholders, customers, employees, and partners for their unwavering support and trust in UBA Ghana.

Thank you for joining us on this remarkable journey of growth, innovation, and excellence. Together, we continue to build a brighter future for all.

BUSINESS & FINANCIAL HIGHLIGHTS

01 GROSS EARNINGS

1.3bn

2022 : 971.4m

02 PROFIT BEFORE TAX

276m

2022 : 91.2m

03 PROFIT AFTER TAX

175.8m

2022 : 59.6m

04 TOTAL ASSETS

7.9b

2022 : 6.2b

05 CUSTOMER DEPOSITS

6.3b

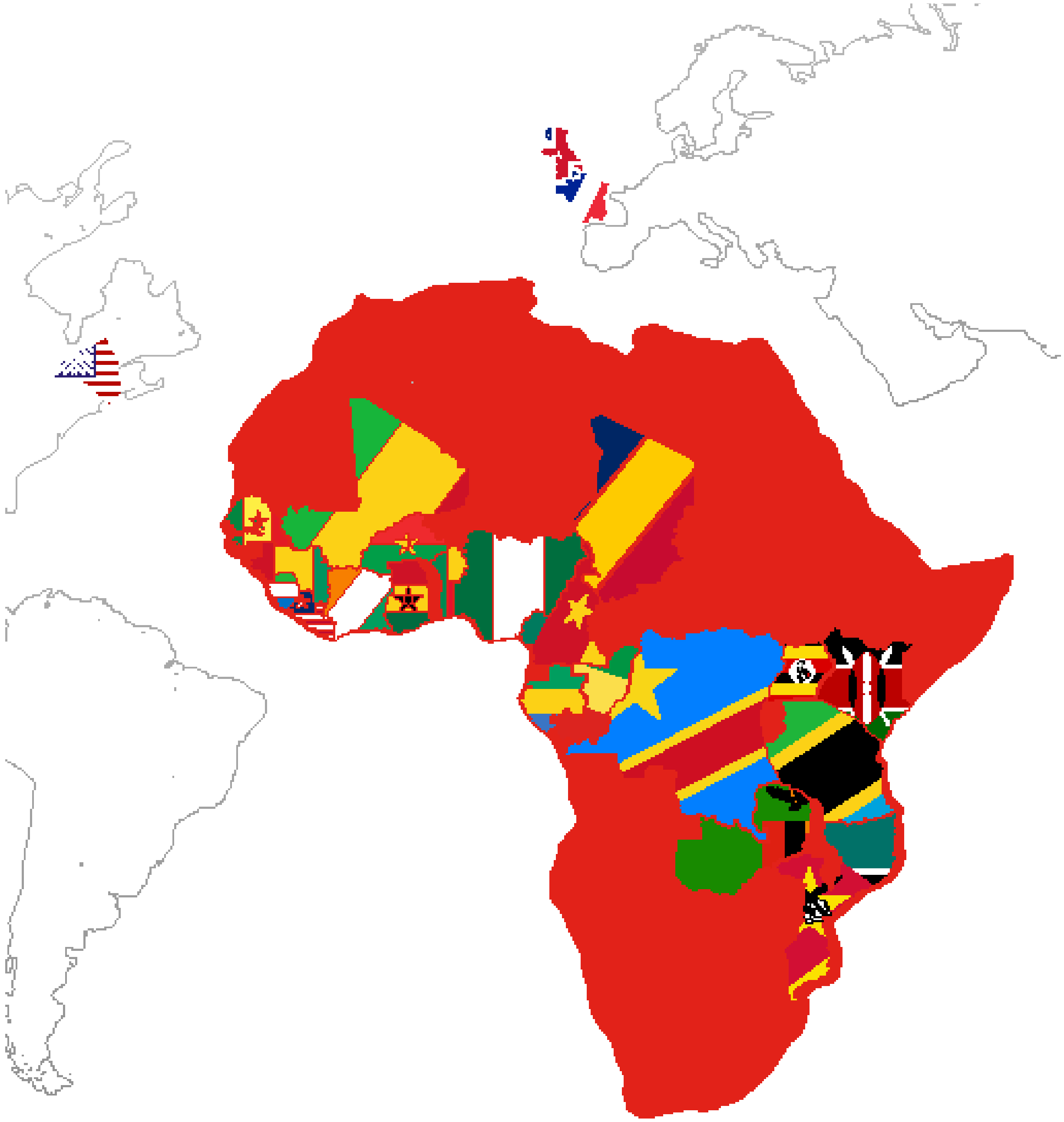
2022 : 4.7b

06 LOANS

1.1b

2022 : 1.5b

Global Network



America, Europe, Asia

New York
London
Paris
Dubai

Africa

Benin
Burkina Faso
Cameroon
Côte D'ivoire
Congo Brazzaville
Congo DRC
Gabon
Ghana
Guinea
Kenya
Liberia
Mozambique
Mali
Nigeria
Senegal
Sierra Leone
Tanzania
Tchad
Uganda
Zambia

Chairman's Statement

"The bank closed the year with a significant profit before tax of GHS276.0 million in 2023 compared to prior years' profit before tax of GHS91.2 million, representing a growth rate of 203%."

Mr. Kweku Andoh Awotwi
Board Chairman

Dear Shareholders and Stakeholders,

I am honored to present the annual financial report of United Bank for Africa (Ghana) Ltd for the financial year ending 2023. The past year has been marked by significant achievements and milestones despite the unprecedented challenges posed by the global economic landscape and local market dynamics. This report reflects our steadfast commitment to transparency, accountability, and excellence in corporate governance, as well as our unwavering dedication to delivering sustainable value to our shareholders and stakeholders.

Throughout the year, UBA has demonstrated resilience, adaptability and a strong commitment to delivering value to our shareholders, customers and other stakeholders. Despite the disruptions and economic headwinds, UBA has remained steadfast in upholding its mission of providing reliable and innovative financial solutions to meet the evolving needs of our customers.

Economic Outlook

The outlook is tilted negative due to possible shocks from a prolongment of Russia's invasion of Ukraine and a tighter global financial market. The country encountered significant external shocks that exacerbated existing fiscal and debt vulnerabilities, resulting in constrained access to international markets, limited domestic financing options and an increased reliance on monetary measures to support government expenditures.

Central Banks across the world, in an attempt to mitigate the hikes in prices, tightened monetary policy rates. This further resulted in high cost of borrowing for consumers. The lending risk escalated due to the deterioration of customers' purchasing power occasioned by worsening cost of living.

Following the macroeconomic crises experienced in 2022, Ghana witnessed some improvements in its economic conditions in 2023. However, persistent challenges remain, notably characterized by

> In spite of all the economic challenges, the balance sheet grew by 28% to GHS7.9 billion (GHS6.2 billion in 2022), driven by growth of 34% in customer deposits (GHS6.4 billion from GHS4.7 billion in 2022). As part of our commitment to creating value for our shareholders, we increased our Shareholders' funds by 15% (from GHS1.2billion in 2022 to GHS1.4 billion in 2023).

elevated inflation, subdued growth and substantial pressure on public finances and debt sustainability, delays in international financial support and volatility in key export commodity prices.

In response to the Ghana's debt crises, the Government embarked on a comprehensive debt restructuring, a significant fiscal consolidation program, and the implementation of reforms to foster economic stability and resilience. The crisis has taken a toll on the pace of economic growth – which decelerated to an estimated 2.9% in 2023 and is projected to remain weak in 2024. Year-on-year inflation fell from 53.4% in January 2023 to 23.2% in December 2023, reflecting more stable exchange rates and the effects of monetary policy tightening in 2022-23.

The Government continues to implement fiscal measures to improve revenue and position the country for recovery after the 2022 Domestic Debt restructure guided by the strong hands of the IMF programme. Bank of Ghana continued its policy rate tightening to curb the hikes in inflation.

Financial Performance

I am delighted to announce that UBA has achieved noteworthy financial results, underscoring our ongoing dedication to operational efficiency, risk management, and customer satisfaction. Our careful investment strategies and strong business model have generated favourable outcomes, driving our sustained expansion and profitability. Through rigorous risk management protocols and a steadfast commitment to operational excellence, we have demonstrated resilience and maintained growth despite the challenges of the business landscape.

Overall, the bank closed the year with a significant profit before tax of GHS276.0 million in 2023 compared to prior years' profit before tax of GHS91.2 million, representing a growth rate of 203%. In spite of all the economic challenges, the balance sheet grew by 28% to GHS7.9 billion (GHS6.2 billion in 2022), driven by 34% customer deposits to GHS6.4 billion from GHS 4.7 billion in 2022. As part of our commitment to creating value for our shareholders, we increased our Shareholders' funds by 15% (from GHS1.2billion in 2022 to GHS 1.4 billion in 2023). Bank liquidity was 75.8% in 2023, a slight growth from 2022's position of 75.4% indicating the strength and health of its balance sheet.

Corporate Governance

UBA Ghana prioritizes transparency and accountability in all its endeavors. Our dedicated Board of Directors diligently oversaw the bank's operations, ensuring strict compliance with regulatory requirements and industry best practices. We are proud to affirm that UBA Ghana has fully adhered to the Bank of Ghana Corporate Governance Disclosure Directive 2022, demonstrating our unwavering commitment to governance excellence. By aligning our practices with industry standards and regulatory guidelines, we uphold the trust and confidence of our stakeholders while fostering a culture of integrity and ethical conduct within the organization.

Looking Forward

As we look ahead, we remain cautiously optimistic about the economic outlook and are confident in our bank's ability to navigate challenges and capitalize on emerging opportunities. We are committed to sustaining our momentum, enhancing operational efficiency, and delivering sustainable growth and value to our shareholders, customers and stakeholders.

Furthermore, our bank has continued to demonstrate its commitment to driving financial inclusion and sustainable development in Ghana. Through strategic partnerships and initiatives, we have expanded access to banking services, promoted entrepreneurship and supported community development projects across the country.

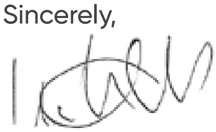
Acknowledgements

Helen Keller stated, "Alone we can do so little; together we can do so much." UBA Ghana's success is truly a result of strong leadership, collaboration with stakeholders including staff, customers and regulators, and legitimacy accorded to us by the communities that we serve.

I extend my sincere gratitude to our shareholders for their continued trust and support, to our dedicated employees for their hard work and commitment, and to our valued customers and stakeholders for their loyalty and partnership. Together, we will continue to build on our successes and achieve new heights of excellence in the years to come. Together, we will continue to build a stronger, more resilient bank that remains at the forefront of Ghana's banking industry.

Thank you.

Sincerely,



Mr. Kweku Andoh Awotwi
Board Chairman


UBA
United Bank for Africa
Bank Smart
Choose UBA
Bank Anywhere
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24/7 BANKING SERVICES
leo
Chat Banking
Mobile Banking
Internet Banking
*822#
USSD Banking
Cards
POS
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The UBA Mobile App
or go to bit.ly/newUBAmobile
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Africa's Global Bank

CEO Review

Our primary focus remains consistently delivering superior returns to our shareholders, developing employees, upholding our commitment to the success of our customers, the advancement of our community, and the overall growth of the economy in which we operate.

Uzoechina Molokwu
Managing Director/Chief Executive Officer

It is with great pleasure that I present another outstanding year for UBA Ghana. Although not being entirely unexpected, 2023 posed significant challenges for UBA Ghana, primarily due to various macro-level setbacks. These included the repercussion of Eurobond interest suspension, embarkment of second phase of Ghana Domestic Debt Exchange Programme (GDDEP) and high inflation. In spite of these challenges, the bank improved its performance in 2023, as presented under the financial performance. Permit me to highlight the key areas of this performance: 203% Profit Before Tax (PBT) growth and 34% deposit growth.

Our primary focus remains consistently delivering superior returns to our shareholders, developing employees, upholding our commitment to the success of our customers, the advancement of our community, and the overall growth of the economy in which we operate.

We shall thrive to achieve these goals by synergizing the best talents, processes, and technologies to innovate and exceed our customers' expectations. Our aim is to provide unparalleled assistance to customers across diverse sectors in their financial transactions.

To provide a better understanding of the Bank's performance in 2023, it is crucial to consider two fundamental factors: the macroeconomic environment and developments within the banking sector.

The Macro Economy

Globally, countries faced difficult times, Ghana inclusive. The global economic landscape in 2023 was significantly disrupted by various factors such as geopolitical tensions, increased cost-of-living, tightening of financial conditions, and the lingering effects of the COVID-19 pandemic. As a nation vulnerable to external shocks, the combined impact of these factors, along with domestic issues, worsened our economic situation.

Amid these challenges, the government is exploring several policy options to rebuild confidence in the economy, alleviate mounting debt levels, and stimulate economic growth.

The Bank of Ghana reacted aggressively to the inflation in 2023 by increasing interest rates from 27% in 2022 to 30% in 2023.

Locally, Ghana's economy faced some challenges in 2023, with real GDP growth of 2.9% as against a growth rate of 3.1% in 2022. The GDP growth rate has steadily declined post COVID-19.

The Ghanaian Cedi depreciated by 27.8%, 31.9% and 30% against the US Dollar, British Pound and the Euro respectively as at December 2023.

Increased public debt and shortfalls in domestic revenues posed challenges to macroeconomic improvements. Ghana's Debt-to-GDP ratio rose from 70.7% to 98.7% as at December 2023.

Banking Sector Developments

The performance Ghana's banking sector improved significantly in 2023. This reflected in the industry's balance sheet size and profitability.

Despite the persistent effects of the domestic debt restructuring and a challenging macroeconomic environment, the sector has demonstrated resilience, marked by growth in assets, deposits, and loans & advances. As of December 2023, the total assets of the banking industry reached GHS294.9 billion, showing a substantial year-on-year increase of 31.5% from GHS224.3 billion recorded in December 2022. This growth in assets was primarily fuelled by a surge in deposits, which expanded by 38.8% year-on-year to GHS199.7 billion by the end of December 2023.

Industry Return on Assets stood at 5.4%, a significant turnaround from the -3.8% in 2022. The notable increase in profit was driven by robust growth in both net interest income and fee and commission income, which surpassed the growth rate of operating expenses by a considerable margin.

Performance Highlights

I would like to present you highlights of the Bank's performance during the year under review.

Total assets of UBA Ghana grew by GHS1.7 billion to GHS7.9 billion for 2023 representing a 28% increase despite the economic challenges. In line with the bank's strategic goal of capturing a significant market share, we succeeded in growing deposits by 34% to GHS6.3 billion at year end 2023.

Profit before tax for 2023 stood at GHS276 million, representing 203% year- on year increase (from GHS 91.2 million recorded in 2022). The increase in profit is attributed to a notable increase in interest income. This improvement in interest earnings significantly contributed to the overall growth observed in the profit before tax for the year. Following increase in net operating income, cost to income ratio remained constant that is 27% for both 2023 and 2022, evidencing operational efficiency. Profit after tax stood at GHS175.8 million a 195% increase on the GHS59.6 million for 2022.

As we concluded 2023, our position remained resilient which was supported by strong risk management policies implemented during the year.

Looking Ahead

We have established a solid foundation that will enable us to consistently generate value for our stakeholders in the upcoming year. However, achieving this goal will require continuous effort and a commitment to specific crucial factors, namely:

1. Continuously harnessing technology and innovation to provide effective support to our business units and deliver excellent and swift customer service.
2. Leading efficiency in processes and costs by streamlining all steps to offer faster, convenient, and seamless service to our valued customers, ensuring value for money and minimizing waste.
3. Developing our human capital by enhancing productivity through innovative talent and performance management, ensuring optimal utilization of our talented workforce.
4. Upholding strict adherence to regulatory, internal control, and compliance policies with guidelines for zero tolerance for any violations.
5. Establishing and nurturing strong relationships with key stakeholders across all levels.
6. I am highly confident that by excelling in these critical areas, meeting and surpassing our expectations will be inevitable.

Uzoechina Molokwu

Business Review

Corporate Profile
Insights on the EMDOs Business
Our Digital Banking Drive
Our Customer First Philosophy
Our People, Culture & Diversity

Corporate Profile

United Bank for Africa (Ghana) Ltd.

2004, a pioneering year for United Bank for Africa (Ghana) Ltd, as the bank chartered a new path of entry into Ghana, birthing a new generation of foreign banks and changing the landscape of relationship banking.

The vision and strategy of Pan-Africanism was simultaneously birthed by United Bank for Africa (UBA) Plc which until that moment was simply a leading financial service bank operating in all regions of Nigeria. When the subsidiary in Ghana was created, UBA then grew into group status in Sub-Saharan African region, now with presence in 20 African countries: Ghana, Benin Republic, Cote d'Ivoire, Burkina Faso, Guinea, Chad, Cameroon, Kenya, Gabon, Tanzania, Zambia, Uganda, Liberia, Sierra-Leone, Mozambique, Senegal, Congo DR, Congo Brazzaville, and Mali, as well as United States of America, United Kingdom, France and United Arab Emirates. 2005 was truly historic for UBA as it was in this same year it completed one of the biggest mergers in the history of Nigeria's capital markets with the business combination of Standard Trust Bank (STB) Plc and the then United Bank for Africa.

The origin of UBA dates back to 1949 when it was first referred to as the British and French Bank Limited (BFB). It took over the assets and liabilities of BFB and was incorporated as a limited liability company on 23 February, 1961 under the Compliance Ordinance (Cap 37) 1922.

Who We Are

"We work for one of the strongest and most successful financial services institutions in Africa. Our bank, the United Bank for Africa and our brand have grown significantly and require no introduction across our Continent. We should be proud of what we have achieved.

UBA is a full financial service institution offering a plethora of unique banking products and services. As Africa's global bank, UBA Ghana has developed a branch footprint and delivery network that has ensured that the bank's services are always within the reach of valued customers. In line with the bank's positioning statement and strategic intent, UBA Ghana has a footprint of 29 fully networked branches, 2 agencies and close to 60 visa enabled ATM's spread across Accra, Tema, Tarkwa, Tamale, Takoradi, Kumasi, and Aflao.

What We Do

United Bank for Africa (Ghana) Ltd, is a subsidiary of the United Bank for Africa Plc which is one of Africa's leading financial institutions with assets in excess of US$23 billion and offering services to more than 25 million+ customers across over 1,000 branches and over 2,669 ATMs in 20 African countries.

The bank's goal is simple. Excellent Service ...Delivered. We have interrogated ourselves, our processes and the evolving internal and external environments. We have challenged who we are, what we want to be known for and how we want to do business. This exercise, has given us a Corporate Goal: 'Excellent Service...Delivered'.

To deliver this, we have fundamentally refined our Core Values, to ensure our commitment to deliver:

Enterprise. Excellence. Execution (EEE).

These values will drive all our actions towards our internal and external customers. Since August 1, 2016, we have directed efforts in the three critical areas:

- Deployment of customer focused IT systems
- Re-engineering our processes to speak to what the customers really need; and
- Creating a workforce of engaged and productive People.

Our People:

People are central to our Corporate Strategy.

Our Processes:

Our Processes speak to how we serve our customers. We are challenging the status quo, to completely align our processes ground-up from the customer's perspective.

Our Technology:

We have continued to increase investment in Information Systems (IS) and Digital Banking Channels reliability to attain overall positive customer experience.

With presence in New York, London, Paris, and Dubai, UBA is connecting people and businesses across the world through retail and corporate banking and our innovative Africa Trade Platform.

UBA Plc has been rated by "the Financial Times Magazine" as one of the five African banks in the top global 500 banks and the second fastest growing brand in the world and by the Boston Consulting Group as one of the top "40 African Challengers" on account of globalization, workforce and asset diversity, cash flow and leverage ratio.

UBA VISION

To be the undisputed leading and dominant financial services institution in Africa.

UBA MISSION

We shall be a role model for African businesses by creating superior value for all stakeholders; abiding by the utmost professional and ethical standards and building an enduring institution

CORE VALUES

Our corporate identity rests on our core values. These values are: Enterprise. Excellence. Execution

United Bank for Africa (Ghana) Ltd.

Our objective has been to become Africa's leading and most respected Pan African bank. Our purpose is to be where the growth is, connecting customers to opportunities. We have engaged businesses to discover their potential and to prosper, by helping people fulfill dreams and realize their ambitions. We have developed the primary strategy of our Parent company into our own secondary and tertiary strategies that reflect our purpose and distinctive advantage:

To be a fully automated network of business offices connecting Ghana to Africa and the world. We are well positioned to capture intercontinental trade and to be the conduit for capital inflows. Our reach and range of services place us in a strong position to serve clients as they grow from small enterprises into diverse businesses all over Ghana and Africa.

To combine sound financial management with a delicate mix of some embryonic and some maturing wholesale and retail banking on a local scale with a global view: we aim to make the most of opportunities arising from the developing economy we deal in along with the demographic changes in our dynamic industry sectors. We will study the pace carefully and deal in full-scale private and public sector markets and businesseswhere we can achieve profitable margins at varying levels.

As the flow of goods, agriculture, oil and gas services as well as trade continues to expand, driven by the new FinTech revolution of mobile money, digital and virtual banking and technology, we in turn expect to be within and amongst the top tier in Ghana, becoming strong enough to be termed a Systemically Important Bank.

The growth of our industry is bringing the people of Ghana into the global middle class, and United Bank for Africa (Ghana) is one of the few truly Pan African banks with the financial backing as well as trade and capital flows that can connect our customers to the fastergrowing and developed markets. We have a diversified banking model that supports a strong capital and funding base, reduces our risk profile and volatility, and generates stable shareholder returns. These are distinctive competitive advantages that the Bank will bring to its customers, going forward.

Insights on the EMDOs Business

EMDOs is an acronym for Embassies, Multilateral and Bilateral Donor Organisations. The players in this segment play a significant role in addressing Africa's developmental challenges mainly through grants, technical assistance and debt financing of developmental programs in order to alleviate poverty, improve quality of life as well as promote economic development in line with Sustainable Development Goals of the United Nations.

As Africa's global bank with international and, Pan-African footprint, UBA is well poised to become the bank of choice for inflow of Official Development Assistance (ODA) through the different embassies, multilateral and donor organisations. Our interest in the EMDO business stems from the passion we have about Africa's development coupled with the unique banking solutions we can deploy to the EMDO community in the pursuit of Sustainable Development Goals.

Our wide footprint in Africa and unique presence in major financial cities in the world are factors that give UBA a competitive advantage as we are closer to the EMDO community locally and globally. We also have the UBA Foundation through which we can achieve further social impact and enter into strategic partnerships within the EMDO community that competitors don't have and this ultimately leads to being able to deliver to the last mile.

In reference to the strategic partnership within the EMDO community, we signed two separate MOUs with United Nations Development Program (UNDP) and Africa Continental Free Trade Area (AfCFTA) to forge a strategic partnership in the SME space during the year under review. UBA is leveraging this opportunity to differentiate itself by continuing to invest in the SME business in the pursuit of Sustainable Development Goals.

Pioneering digital banking excellence in Ghana and beyond

United Bank for Africa (Ghana) Ltd, with a track record of creating innovative products and services for their customers, has become a trusted leader among providers of digital financial solutions and services in Ghana.

With a culture for innovation and a deep commitment to superior technology, UBA is progressively dominating the Ghanaian digital banking market as a result of the seamless products it strives to provide its customers. The bank's dominance in the digital banking space has been demonstrated by its continuous digital banking innovation, which has seen UBA pick up several industry awards for product innovation.

UBA's current leading product, **Africash,** was developed to allow its customers send and receive cash using a simple real-time process across its 19 subsidiary banks in Africa.

UBA's **Internet Banking** is a web-based platform designed to give our Corporate Institutions safeguarded access to their accounts and other accounts at other banks. It is an integrated single sign-on product suite, through which corporate institutions are provided with cash management and transaction banking services including payments, collections, liquidity management, corporate mobility, balance reporting, cash flow forecasting, e-trade, e-treasury and supply chain financing.

The bank is also leading the market in the deployment of sophisticated Point of Sale devices **(POS)** which is also aggressively exploiting potential card schemes with institutional, public, corporate and educational institutions.

Our web collection interface and platforms – **MPGS** (MasterCard Payment Gateway Services) - delivers seamless real time online transaction with speed and ease and accepts Mobile Money, VISA and MasterCard. It is protected by 3D security (MasterCard secured code & Verified by VISA) which protects our merchants and cardholders. We offer convenient hosted online payment solution called **Instant Bills Pay** which allows small and large scale merchants receive online payment without hassle.

We deliver the power of choice to our retail and corporate customers with a wide variety of card products including **VISA, MasterCard and Ezwich** as pre-paid, debit and quasi-credit card programs. Our Africard is an essential companion of every traveller with acceptance on over 1.5 million ATMs, Web and POS both locally and internationally. It is a card you can obtain without the need for a bank account but the convenience to load on the go.

Our virtual banking and **Wise Alert** systems thrive on state of the art technology and help our customers enjoy simple banking services without visiting their branch. Wise Alert gives our customers a report of all transactions on their account on social media, e-mail and SMS. Internet Banking Retail allows the account holder a 24/7/365 web access to their bank account to initiate transfers, statement download, cheque book request and many more. **UBA Mobile App** is a mobile banking application that allows banking on the go via phone and tablet devices. We also have our Artificial Intelligence (AI) chatbot known as **LEO** to enable customers carry out key banking transactions with the use of their social media accounts. This is currently available on Facebook Messenger, Instagram, WhatsApp, Apple Business Chat and soon on other social media platforms.

On the mobile commerce front, we are a partner bank on the MTN **Mobile Money**, AirtelTigo Cash and Vodafone Cash platforms. We have collaborated with the mobile money networks to launch very innovative products that deliver value for our Corporate Clients. We are able to facilitate various collection solutions on the mobile money platform for a host of institutions such as Oil Marketing Companies, Insurance, Non-bank financial institutions, etc.

Future Outlook

Customers remain the cornerstone of our digital banking strategy to dominate the African digital banking space; compelling us to constantly seek for new and innovative ways to deliver exceptional banking service that add value to our customers every day. With the passion of remaining the leading digital banking service providers in the country, we realize the necessity of not limiting our end to end electronic banking products to only individual and corporate customers but by extending to serve the nation as a whole. We have also endeavoured to go into partnership with some key aggregators (FinTechs) to make our presence apparent to every ordinary Ghanaian in the digital space.

UBA Ghana believes that digitally delivering exceptional customer experience via its product innovation, research and development would continue to be pivotal and its most important asset in the quest to stay ahead of the market.

To this end, it is poised to roll out other products that would ride on the back of social media to deliver virtual banking services to the upwardly mobile and trendy generation. It is expected that these products would further strengthen the banks position as a leader in the digital banking space.

In sustaining this digital revolution which has taken absolute charge of banking, we will continue to work hard by being aggressive in capturing the market by providing user friendly services, engage existing and non - existing customers by sensitizing them on product usage, promote products via trending channels; social media, etc.

IT solutions for a satisfied Customer Experience

Banks play a vital role in the financial ecosystem of the economy. Providing a seamless and satisfying customer experience takes center stage in the bank with our customer first (C1st) philosophy.

This C1st promise is made possible by the deployment of robust technology platforms amongst others.

Our online Banking platforms which comprise Web, Mobile and USSD provide customers with user-friendly interfaces, with real-time access to their accounts. Transactions such as balances enquiries, instant transfers, bill payments and personal financial management (PFM) are done securely riding on the bank's state of the art technology infrastructure using secured communication protocols.

We keep our customers informed and updated on activities on their accounts real-time through our Wise Alert service on SMS and push notification via mobile apps.

Our chat banking platform (LEO) comes with the full bouquet of services that enable our customers seamlessly transact via WhatsApp, Facebook messenger, Instagram, and many other social media chat services we are adding. LEO leverages artificial intelligence (AI) to understand our customer behavior which enables the bank to tailor make products that best suit their lifestyles.

We enable our Fintech and Payment Service providers (PSP) partnerships with our Instant BillPay payment gateways services amongst others. Our Consolidated remittance platform enables seamless integration of International Money Transfer Organizations (IMTOs) terminate remittances to customer bank accounts and mobile wallets via Applications Programming Interface (API).

The Bank's payment applications and all critical Infrastructure are second-factor authentication (2FA) enabled. Secured communication channels are in place for processing transactions which comply with international standards and best practices.

Our Customer First Philosophy: A journey of excellence & innovation

Our Customer First Philosophy and More...

United Bank for Africa (UBA) Ltd upholds Excellent Customer Service as a cornerstone of its overall strategic vision. The inception of the Customer First Philosophy (C1st Philosophy) in 2016 reflects our steadfast commitment to conducting business with a keen focus on customer satisfaction. This ethos, rooted in a customer-centric culture, remains the driving force behind the bank's sustained and flourishing business endeavours.

Customer Experience Mandate

Our customer experience mandate is crystal clear - "To provide our customers with the best banking experience across all products, services, and channels, and to make every experience a memorable one." This mandate underscores the Bank's unwavering dedication to actively shape three essential elements: People, Process, and Technology, ensuring the delivery of unparalleled customer experiences across all touchpoints.

People

In recognizing the fundamental role of people in the business ecosystem, including both employees and customers, UBA remains committed to consistently enhancing their experiences.

Staff-Related Initiatives

Staff Capacity Building: Staff empowerment remains a top priority, evident in our designated C1st Day where staff undergo essential training. Over 40 C1st sessions were conducted, including 10 service gap engagements and specific external and internal training sessions.

C1st Ambassadors: Driving a customer-first philosophy requires hands-on commitment. C1st Ambassadors act as advocates for the C1st philosophy and service excellence at branch and Head Office levels. During the period, 35 C1st ambassadors were appointed and played a pivotal role in promoting the bank's C1st philosophy.

Stars of the Week Initiative: Recognizing outstanding service, this initiative celebrates staff and teams who deliver excellent service, reinforcing a positive customer experience. Three (3) teams, four (4) branches, and 52 staff were rewarded during the year.

Customer-Related Initiatives

Voice of Customer Programme: Our commitment to addressing customer pain points is exemplified through the Voice of Customer Programme, which garnered over 3500 customer feedback during the period. This program not only serves as a mechanism to address concerns but also stands as a testament to our customer-centric approach. The Bank achieved an impressive 87% overall satisfaction rate and a 43 net promoter score, indicating that a significant proportion of customers are satisfied and willing to recommend the Bank's services to their acquaintances.

Customer Engagement and Birthdays: Under the 'Connect with a Customer' initiative, our account officers engaged nearly 9000 customers during birthdays and account anniversaries. This initiative not only strengthens connections but also proactively keeps the bank top-of-mind for our valued customers. Randomly selected customers receive personalized celebrations with branded cakes and hand-signed cards, adding a touch of delight and appreciation.

Customer Appreciation Day & Customer Service Week: In addition to our active participation in the international Customer Service Week, UBA introduced a weekly customer appreciation day. This initiative continually expresses gratitude for customer loyalty through activities like branch applause, manager speeches, and snack distribution. The bank's commitment to customer appreciation is further emphasized by the annual celebration of Customer Service Week, where staff and customers enjoy diverse goodies, branded gifts, and a party to recognize their outstanding contributions. Engaging activities like service rap battles, best-dressed staff contests, and service quizzes add a festive flair to the celebration.

Process and Technology

Aligned with our people-focused efforts, UBA Ghana strategically employs technology and process enhancements for an elevated customer experience. These improvements result from proactive user experience assessments and responsive customer feedback. During the reporting period, we meticulously enhanced over 10 processes, incorporating automation where applicable. Key achievements include the completion of the Customer Onboarding Project, streamlining post-onboarding customer information sharing. Additionally, the implementation of an interactive messaging system on the mobile app and customer access to issue logging via the Bank's LEO (chatbot) further streamlined internal processes for efficient service delivery.

KPMG Ghana BICX Survey 2023

In the 2023 KPMG Banking Industry Customer Experience survey, UBA Ghana secured an impressive #2 ranking in the retail segment with a commendable score of 75.5%. The report, published on December 29, 2023, highlighted UBA Ghana's excellence in the Empathy pillar, particularly emphasizing the professionalism exhibited by our staff. Commended for actively placing its staff at the center of the customer-first philosophy, UBA Ghana remains dedicated to enhancing this performance, demonstrating our commitment to providing exceptional customer experiences and setting industry benchmarks.

Our People, Culture & Diversity

The Bank in 2023 recruited 75 staff, these candidates were selected through a rigorous selection process. On-boarding programme included induction with UBA Academy and an interaction with the UBA executives both in Ghana and at the group.

We undertook various trainings in 2023 notable were Customer Service, Treasury, Anti Money Laundering, Compliance, Customer Relationship Management, Cyber Security and Credit Risk Management. As part of our Customer First Agenda all staff participated in the weekly Customer First training. Staff attended an average of 3 major trainings in the year.

UBA Ghana is a performance driven Bank and in 2023 the Bank promoted various staff, it also celebrated staff who had worked with the Bank for 15years and 10 years with the Bank.

The Bank actively participated in the October Breast Cancer Awareness month and provided on site testing for staff and their families. UBA Ghana as part of its Corporate Social Responsibility continues to train the youth, through internships, Graduate Trainee and National Service programmes.

Our People Employee Development

UBA operates an integrated performance management system based on a balanced set of performance measures. The performance management system entails cyclical performance planning, measurement and feedback.

The system is designed to consistently identify, motivate and retain excellent workforce across the Bank and focuses on the measurable output or contribution of staff as well as the skills, knowledge and personal attributes needed to deliver on agreed targets. The performance of every staff in UBA is managed on a continuous basis, and this is the primary responsibility of the staff.

All career and reward decisions including promotion, demotion, merit-based salary increase, or performance based corrective action is consistent with the most recent cumulative appraisal rating of a staff.

Succession Planning

We have in place a very comprehensive succession planning system where employees are identified for leadership / very important roles through our talent management process thus creating a talent pipeline.

Compensation and Benefits

UBA adopts a compensation structure that is competitive and this is used to attract the right people across the various grades and there shall be an annual compensation survey to be presented with appropriate recommendations.

Code of Ethics & Professionalism

The United Bank for Africa is committed to the highest standards of ethics and professionalism in the conduct of its business and undertakings.

UBA recognises that its continued success and viability depends on each employee internalising ethical principles that include integrity, honesty, fairness, transparency and accountability.

The UBA Code of Professional Conduct and Ethics serves as a guideline to the standards that should govern all employee dealings with customers, suppliers, colleagues and the general public. The Code applies to the Directors and employees of UBA. All employees and Directors are expected to adhere to the standards of conduct and ethics outlined in the Code at a level well above the minimum standards required by law.

All employees and Directors shall be required, annually, to certify that they have read and understood the Code of Professional Conduct and Ethics and shall report any concerns appropriately.

A standard certification is provided for this purpose. The Code is reviewed and amended from time to time as deemed appropriate.

Employee well-being

The bank has various employee wellbeing initiatives that promote a good work life balance amongst staff.

These initiatives have contributed to improved staff performance and a happy workforce

Sustainability

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Sustainability Report

In United Bank for Africa Ghana Ltd, we remain committed to the sustainable growth and development of the Ghanaian economy and the broader African continent. We prioritize our commitment to sustainable environmental practices to build a sustainable future for our shareholders, customers, employees, investors and communities. This effort is geared towards preserving our natural resources in support of the wellbeing of current and future generations.

As a leading financial services institution in Ghana, UBA Ghana is committed to the highest level of sustainable business practices across all our activities and operations and we are dedicated to being at the forefront of environmental responsibility and social relevance in Ghana. We understand our responsibility in ensuring that our products, investments and financed business activities do not harm the environment and we remain resolute to playing our role towards women empowerment, economic diversification, capacity building and inclusive growth and development. We continue to work with our customers, associates, investees, partners, vendors, contractors and other third parties to ensure that they understand and comply with relevant environmental policies, laws and regulations.

Sustainability is an integral part of our business strategy at UBA Ghana, and we are proud of our accomplishments and commitment to the U.N.'s Sustainable Development Goals (SDGs). Through the UBA Foundation, we play our part as a responsible corporate entity by actively contributing to the Government's efforts toward the achievement of the SDGs through our strategic initiatives centred on advancing education, empowering the economy and preserving the environment.

Our drive for sustainable operations is championed by the Board and anchored by our Executive Management Committee which oversees the execution of strategic initiatives, thus ensuring that sustainable cultures are deeply ingrained in every staff, who are obligated to adhere strictly to the principles in their day-to-day functions.

UBA Ghana is dedicated to being environmentally responsible and committed to minimizing the potential environmental impact of our business operations covering energy, carbon emissions, water consumption, paper consumption, and wastes. In support of the carbon goals, we have adopted a sustainable banking approach through innovative technology and operations, we continue to drive several initiatives to promote a low-carbon economy, energy-efficient operations, and establishing a net-zero target.

Managing Environmental and Social Risks

UBA's activities expose the Bank to a variety of financial risks that require analysis, evaluation, acceptance, and management. We reckon that assuming risk is a core aspect of financial services business and operational risks are an inevitable consequence of being in business. Hence, we appreciate that achieving a balanced performance scorecard requires integrating environmental, social and ethical considerations into our performance measurement scale as we look beyond explicit financial profit. It also entails global best practices in our business policies and practices by ensuring that our entire process and people are carried along in our sustainability journey. As a responsible Bank, UBA Ghana has carefully identified the sectors and operations that portend significant social and/or environmental risks, through our Environmental and Social Risk Management/Sustainability Department. The Environmental Sustainability and Social Risk Management (ESSRM) Policy and the Bank of Ghana's Sustainable Banking Principles serves as a key guide for our overall operational policy framework. In the year under review, UBA Ghana engaged all employees, especially front liners to ensure they understand these principles and integrate Environmental and Social (E&S) considerations in their decision making processes. UBA's ESSRM Policy also clearly specifies the requirements for Environmental and Social due diligence and the criteria for adopting responsible credit decisions.

Social and Environmental Due Diligence

In the year under review, UBA Ghana conducted several comprehensive E&S due diligence on its clients, especially those within the five critical sectors, (i.e. Agriculture & Forestry, Mining and Oil & Gas, Construction & Real Estate, Power & Energy, and Manufacturing), to ensure the identification, evaluation and prevention / mitigation of E&S risks within the bank's portfolio. UBA will not provide any service (including direct loan, funding, investment or advisory services) to customers engaged in any activity involving;

i. Production or trade in any product or activity deemed illegal under Republic of Ghana laws or regulations or international conventions and agreements.

ii. Production or trade in weapons and ammunitions.

iii. Trade in wildlife or wildlife products regulated under Convention on International Trade in Endangered Species (CITES).

iv. Production or trade in radioactive materials.

v. Production or trade in or use of unbonded asbestos fibres.

vi. Purchase of logging equipment for use in primary tropical moist forest.

vii. Drift net fishing in the marine environment using nets in excess of 2.5km in length.

viii. Production or trade in pharmaceuticals under international phase outs or bans.

ix. Production or trade in pesticides or herbicides under international phase outs or bans.

x. Production or activities involving harmful or exploitative forms of forced labour or child labour.

xi. Production or trade in products containing Polychlorinated Biphenyl (PCB).

xii. Production, trade, storage or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals.

xiii. Production or trade in ozone depleting substances subject to international phase out.

xiv. Production or activities that impinge on the land owned, or claimed under adjudication, by indigenous people, without full documented consent of such people.

As a bank, we remain committed to building a more sustainable future for our stakeholders, the environment, and society as a whole. We will continue to innovate, collaborate, and drive positive change across our business operations, and we look forward to sharing our progress in our future reports.

2023 Review

The challenges from 2022 spilled over to 2023, with high prices of food and energy being at the top of the list across the global landscape. Central Banks across the world in an attempt to mitigate the hikes in prices continued tightening monetary policy rates. This further resulted in high price of borrowing for consumers. Customers purchasing power reduced whiles cost of living continued to worsen leading to increased credit risk.

Locally in Ghana, Government continue to implement fiscal measures to improve revenue, and position the country for recovery after the 2022 Domestic Debt restructure. This was guided by the strong hands of the IMF program. Bank of Ghana continued its Policy rate tightening to curb the hikes in inflation.

The Ghanaian economy picked up, recording a Q1-2023 GDP growth of 4.2%, 3% higher than prior period, driven by growth in the service (+10.1%) and agriculture (+4.1%) sectors.

Ghana finally received approval from the International Monetary Fund (IMF) with an immediate injection of $600 million in May 2023 for budget execution and balance of payment support. The positive sentiment supported the cedi stability with a depreciation of 21.95% as of June 2023 compared to 22.13% in March 2023

In the second week of July, the government resumed its Domestic Debt Restructuring Program by inviting investors to exchange US$809 million of foreign currency-denominated notes for two new securities maturing in 2027 and 2028 that pay coupons of 2.75% and 3.25%, respectively. Additionally, it proposed restructuring of GHS7.9 billion cocoa bills by offering investors 13% on five new bonds maturing in 2024 through to 2028.

The concluding months of 2023 saw significant milestone achievement as Ghana recorded disinflation during this period. This accomplishment was attributed to the continuous implementation of macroeconomic reforms and favorable base effects. The Ghanaian cedi also witnessed relative stability against the major trading currencies towards the end of 2023.

The government continues to advance discussions with external investors and local pension funds to restructure debt holdings in a separate proposal. Completing all outstanding debt restructuring is curial to unlocking additional external funding from foreign donors and releasing new tranches from the IMF.

Government established the Ghana Financial Stability Fund (GFSF) to provide solvency and liquidity support to cure challenges arising from the Domestic Debt Exchange Program in the financial sector. An initial allocation of US$750m, consisting of US$250m loan facility from the World Bank/IDA and US$500m from the GoG, was earmarked for the solvency window of the GFSF.

In an effort to manage inflation and foreign exchange, the Bank of Ghana made adjustments to the Cash Reserve Ratio (CRR), consolidating it from 14% for local currency (LCY) and 13% for foreign currency (FCY) to a unified 15%, with the entire reserve requirement held in LCY.

Money Market development 2023

Money Market activities were weak due to bleak investor confidence driven by a liquidity squeeze and economic uncertainty. Investor interest was geared toward short term securities to reduce risk exposure amid ongoing debt restructurings. Yields remained elevated as the government increased the uptake of Treasury bills to support fiscal operations.

Money Market interest rates trended downward at the short end of the yield curve. The 91-day and 182-day Treasury bill rates decreased to 29.49% and 31.70% respectively for the end of 2023, from 35.48% and 36.23 % respectively, in the corresponding period of 2022. Similarly, interest rate for the 364-day Treasury bill decreased to 32.97% in December 2023 from 36.06% in December 2022.

The uncertain market dynamics in 2023 and the Treasury's reliance on the short end of the domestic market as the main funding source amidst the heightened inflation pressures kept nominal yields high.

Interbank weighted average interest rate remained strongly-aligned within the policy corridor by the end of 2023. The weighted average rate increased to 30.19% in December 2023 from 25.51% in December 2022, in line with the monetary policy rate and supported by adjustments made in the cash reserve ratio. The average lending rates of banks eased marginally to 33.75% in December 2023 from 35.58% a year earlier.

Exchange and Inflation Rates

The macroeconomic fundamentals have trended in the right direction. Both headline and core inflation are declining and projected to decelerate further, inflation expectations seem well-anchored, fiscal policy implementation is broadly in line with expectations, the current account balance is in surplus and will likely remain so in the near term. Foreign exchange reserve build-up has been strong and should support a stable exchange rate outlook. The benchmark key interest rate indicator – the 91-day treasury bill rate – also declined over the year in response to macroeconomic conditions. These conditions have fed into sentiments, with improvements in business and consumer confidence. Growth, however, remains below potential, requiring policy support, including help from the supply-side.

Headline inflation declined sharply by more than 30 percentage points in the course of 2023. Key factors that supported the disinflation process, include, the tightening monetary policy stance, favourable international crude oil prices which resulted in stable ex-pump prices and transportation costs, and relative stability in the exchange rate.

The Ghana cedi has remained relatively stable to the US dollar since depreciating by about 20.6% on the interbank forex market in January 2023. For the year 2023, the Ghana cedi depreciated by 27.8%% against the US dollar, this compares with 30% in 2022 after reversals of some of the losses in December. The major contributing factors to this stability include enhanced market conduct regulations, the receipt of the initial tranche of the IMF's Extended Credit Facility (US$ 600 million), the Gold for Oil (G4O) program, and inflows from the cocoa syndicated.

Against the pound and the euro, the cedi has lost 31.9% and 30.3% respectively. In comparison with the same period last year, the Ghana Cedi depreciated by 21.2%, and 25.3% against the pound and the euro respectively.

The Banking Sector Performance

The Ghanaian banking sector witnessed improved recovery from the adverse impact of Domestic Debt Restructuring and macroeconomic challenges. Bank of Ghana's end of year 2023, Banking Sector Data Report revealed a more stable, liquid and profitable banking sector compared to 2022.

The banking sector witnessed favourable deposit increase, which funded the increase in total assets as of December 2023. Profitability in the banking sector also witnessed improvement supported by recovery in net interest income and sustained increases in fees and commissions. Profitability ratios were higher in December 2023 compared to the same period last year.

Capital Adequacy Ratio (adjusted for reliefs) was above the regulatory minimum whiles liquidity also witnessed improvement year –on-year. Nonperforming loan ratio, however, increased in 2023, because of general repayment challenges on the part of borrowers, mainly due to the impact of general macroeconomic challenges experienced in 2022.

According to the Bank of Ghana, stress tests conducted for the banking sector indicated a stable outlook on the back of the on-going recapitalisation process by shareholders, alongside support from the Ghana Financial Stability Fund.

UBA Ghana's performance

UBA Ghana's performance witnessed an improvement as a result of the general economic recovery as well as efficient customer care optimization.

UBA Ghana's balance sheet size increased by 28% from GHS 6.2bn to GHS7.9bn on account of the strong growth in Customer deposit. Total Customer Deposit grew by 33.8% from GHS 4.7bn to GHS6.3bn reflecting strong customer service and well-tailored products.

Net Operating Income improved by 33% from GH¢682m to GHS 904.8m mainly due to cost efficient maximization measures employed by the bank.

The combined effect of cost efficiency maximization and prudent creation of liquid assets resulted in a positive growth of profit before tax of 203% from a December 2022 position of GHS 91.2m to GHS 276m.

Despite the restructuring and credit losses of financial instrument, the bank was able to maintain a Capital Adequacy ratio of 15% above the regulatory requirements of 10%.

Ghana Economic Outlook

The economic outlook for Ghana in 2024 is at a critical juncture, with various factors shaping the trajectory of the nation's financial landscape. The year would be marked not only by economic considerations but also by the political dynamics associated with the scheduled elections.

According to the 2024 budget reading, the government of Ghana projected total revenue and grants for 2024 to be GHS 176.4 billion, indicating a 31% increase from the revised 2023 budgeted revenue of GHS 134.9 billion. Within the 2024 budgeted revenue, tax revenue is expected to be 77%, a slight increase from its share of 76% in the 2023 budgeted revenue.

In terms of total expenditure, the projection for 2024 is GHS 227 billion, reflecting a 23% increase from the 2023 budgeted expenditure of GHS 184 billion.

The 2024 budget reading indicates an average annual growth rate of 2.8% for the overall real GDP from 2024 to 2027, followed by a higher growth rate of 5.0% starting from 2027. The Gross Domestic Product (GDP) is expected to surpass GHS 1 trillion in 2024.

Fitch Solutions predicts a 3.5% expansion in the Ghanaian economy for 2024, showing an improvement from the sluggish 2.7% growth in 2023. Data from the Ghana Statistical Service reveals a significant slowdown in economic growth to 2.0% year-on-year in Q3 2023, down from 3.2% in the previous quarter, marking the lowest performance since Q3 2020 when the economy contracted by 3.5% due to the impact of the Covid-19 pandemic. Consequently, Fitch Solutions has adjusted its 2023 real GDP forecast downward from 3.0% to 2.7% and its 2024 forecast from 3.7% to 3.5%. Anticipating a recovery phase in 2024, Fitch projects that the Ghanaian economy will be bolstered by increased private consumption. Fitch also anticipates an improvement in investor confidence. This is expected to lead to increased capital inflows and lend support to the cedi, which we predict will strengthen by an average of 0.2% against the USD throughout 2024.

According to IMF, Ghana's economic growth is expected to pick up in the medium to long term anchored by fiscal consolidation and Monetary Policy measurements to continue the disinflation process. Economic growth is expected to recover gradually to its long term potential level of around 5% by 2026. Disinflation process is expected to decline further to the end of December 2024 within the target of 15+2, benefiting from the tight monetary policy stance, exchange rate stability, and favourable base effects. Fiscal consolidation efforts and the completion of the debt restructuring would ensure that public debt is brought back to a sustainable trajectory.

The risk to Ghana's macroeconomic outlook include unsuccessful execution of the authorities' external debt restructuring and plans to address domestic arrears, including energy producers. Exchange rate, credit and liquidity risk vulnerabilities from previous debt restructure exercise still lingers in the banking sector which may cause major upset to the financial industry should any crystalize.

Fiscal slippages owing to upcoming elections remains a major risk to the outlook for Ghana. Spill over from external environment with negative impact through higher imported inflation and risk aversion on funds inflow may lead to major deviation of economic outcomes.

Driving Change- Our CSR Journey in 2023

With the bank's commitment and goal to uplifting people and communities within its operational sphere. Throughout the year 2023, the UBA Foundation spearheaded various initiatives aimed at driving positive change and fostering development.

UBA Ghana promotes SDG 4 Through Read Africa Initiative

At UBA, ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all is key to our agenda as a global bank. The Read Africa Initiative stands as a beacon for promoting literacy among Ghanaian students and youth. In the past year, the bank donated over 7,000 African-authored books to four schools, including Osu Presec, Odupong, Ngleshie Amanfro, and ST John's Grammar Senior High School. This initiative not only encourages reading but also enhances vocabulary and comprehension skills among students. The books donated were titled 'The Girl Who Can' written by Ghana's award-winning author, Ama Atta Aidoo and 'The Fine Boy' by Nigerian writer, Eghosa Imasuen.

The initiative not only promotes education but also contributes to the Sustainable Development Goal (SDG) 4 – Quality Education.

Read Africa Initiative

Supporting Sustainable Development Goal 15 - Life on Land

UBA Ghana actively supports SDG 15 by focusing on afforestation and biodiversity preservation. In commemoration of the 2023 World Earth Day, employees participated in a tree planting exercise at Achimota Forest in collaboration with the Greater Accra Forestry Division. In this exercise, over 100 trees were planted to contribute towards climate action and actively engage employees to play a part in ensuring a greener and more sustainable world for the next generation.

Tree Planting Exercise

Beyond Core CSR: Sponsorship of Special Projects

UBA Ghana remains steadfast in its commitment to supporting other laudable projects beyond the bank's owned CSR activities through sponsoring special projects and events for educational institutions.

Notably, the bank sponsored the Archaeology Department of the University of Ghana, Sponsored the Nigeria High Commission on their 63rd Independence celebrations, Sponsored the Ghana Upstream Petroleum Chamber's 2023 Annual Conference, the Diplomatic Corps Day Out, and the University of Media, Arts and Communications.

Spreading Love with the Food Bank Initiative

During the festive season, UBA Ghana extended its charitable arm through the Food Bank Initiative, bringing joy to underprivileged communities. In 2023, the Madina community benefited from this laudable initiative which aligns with global goals of eradicating poverty and hunger as outlined in the Sustainable Development Goals.

UBA Ghana pledges to continue this initiative, collaborating with partners to touch more lives during the festive season in the years to come.

UBA Ghana's CSR initiatives demonstrate its dedication to making a meaningful impact on people and communities and contribute towards the achievement of the sustainable development goals.

Creating a Supportive Work Environment for Employee Well-being

The bank recognizes that a supportive work environment is crucial for fostering a positive organizational culture and driving employee satisfaction and retention. Through the Jogging To Bond and Thank God It's Friday (TGIF) events, UBA Ghana demonstrates its commitment to promoting employee well-being and ultimately achieving long-term success and growth.

The UBA Foundation's 'Jogging To Bond' initiative, held quarterly, is a testament to the bank's commitment to promoting employee well-being. Through a combination of aerobics and health talks, this program aims to strengthen the bond among employees and encourage a healthy lifestyle that boosts productivity in the workplace.

UBA Ghana's quarterly TGIF events are a reflection of the bank's dedication to fostering a positive work-life balance culture. These gatherings offer employees an opportunity to unwind and enjoy themselves in a relaxed and entertaining atmosphere. By providing such outlets for relaxation and socialization, the bank promotes a supportive work environment where employees can thrive both personally and professionally.

Food Bank Initiative

TGIF events

Jogging to Bond

Internal Audit

The overarching approach to managing enterprise-wide risk is based on the “Three Lines of Defence” principle.

First Line of Defence: Risk owners/business and functional units/departments

Business Units/Operations/Risk Owners take ownership of their risks and have the primary responsibility and accountability for direct assessment, control and mitigation of such risks. All employees of the Bank are required to ensure the effective management of risks within the scope of their direct responsibilities.

Second Line of Defence: Control Functions (Risk Management, Internal Control, Compliance)

This line provides the policies, frameworks, tools, techniques and support that enable risk and compliance to be managed in the first line, conducts monitoring to judge how effectively risks are being managed, and helps to ensure consistency of the definitions and measurement of risk. They assist risk owners in reporting adequate risk related information up and down the organisation with accountability for directly assessing, controlling and mitigating their risks. The Control Functions review, challenge as well as provide oversight and advisory functions.

Third Line of Defence: Internal Audit (Independent Assurance)

Independent assessment and evaluation of the control environment is undertaken by Internal Audit, providing assurance to the Board of Directors and Senior Management on the effectiveness of the first and second lines of defence, and how the Bank assesses and manages risk. Sitting outside the risk management processes of the first two lines of defense, the Internal Audit function monitors compliance with policies and standards and provides assurance on the effectiveness of internal control structures of the Bank through its programme of both regular and ad-hoc reviews. The work of the Internal Audit function is focused on the areas of greatest risk as determined by a risk-based methodology. The Internal Audit function reports to the Board of Directors through the Board Audit Committee.

Annual Declaration

ANNUAL DECLARATION ON RISK MANAGEMENT BY THE BOARD OF UNITED BANK FOR AFRICA GHANA LIMITED TO THE BANK OF GHANA

We declare that to the best of our knowledge and having made appropriate enquiries, in all material respects that:

1. UBA Ghana has put in place systems for ensuring compliance with all prudential requirements;
2. the systems and resources that are in place for identifying, measuring, evaluating, controlling, mitigating and reporting material risks, and the Risk Management Framework are appropriate and they commensurate with the size, business mix and complexity of UBA Ghana;
3. the risk management and internal control systems put in place are operating effectively and are adequate;
4. UBA Ghana has a Risk Management Strategy that complies with the Risk Management Directive issued by the Bank of Ghana, and has complied with the requirements described in its Risk Management Strategy; and
5. UBA Ghana is satisfied with the effectiveness of its processes and management information systems.

For and on behalf of the Board of Directors of UBA Ghana

Mr. Kweku Andoh Awotwi
Chairman, Board of Directors
United Bank for Africa Ghana

Corporate Governance

Board of Directors

Mr. Kweku Andoh Awotwi
Board Chairman

Mr. Kweku Awotwi has over thirty working years' experience with Corporate organizations and industry. After graduating from Yale University in 1984, Kweku worked as a design engineer at the ITT Advanced Technology Centre (Shelton, Connecticut) and the David Sarnoff Research Centre (Princeton, New Jersey). He then worked as a Business Manager, Planning and Analysis at Kaiser Aluminium & Chemical Limited (Pleasanton, California) from 1990 to 1998. He also worked at Ashanti Goldfields Company Ltd (London, UK) from 1998 to 2004 as Director, Strategic Planning and New Business development. From 2006 to 2009, he was the CEO of Midway Resources International at the Cayman Islands and from 2009 to 2013 Kweku was the CEO of the Volta River Authority in Ghana. Kweku retired on June 30, 2020 as Managing Director of Tullow Oil Ghana and Executive Vice President of Tullow Oil PLC, London UK.

Mr. Awotwi attended Mfantsipim Secondary School from 1971 to 1978. Thereafter he entered Yale University in the U.S.A from 1980 and graduated in 1984 with B.S. Engineering and Applied Sceinece (Electrical), Economics and Political science. He did his postgraduate studies at the Stanford University, U.S.A from 1988 to 1990 where he obtained an MBA in General Management.

Mr. Chris Ofikulu
MD/RCEO

Chris was the Regional Chief Executive Officer, UBA West Africa and doubled as the Managing Director and Chief Executive Officer (MD/CEO) of UBA Ghana. Before assuming office as MD/CEO for UBA Ghana, Chris was the UBA Group's Directorate Head, Apapa 1 (Corporate), responsible for articulating and deploying Business Development Strategies & Critical Resources towards delivering optimal values for the Bank. He is a Senior Executive of the Bank with over 30 years' experience in Business Development which cuts across major Business Geographies and in Nigeria. Before joining UBA Group, Chris had worked in one of the Top Commercial Banks in Nigeria where he served in various capacities including Directorate Head in charge of the South Businesses, Lagos and West Businesses. Chris was also the pioneer Managing Director of Diamond Pension Fund Custodian Limited.

Chris holds a B.Sc. (First Class) Degree in Industrial Mathematics from the University of Benin, Benin-City and an MBA (Marketing) from the University of Lagos. He is also an Alumnus of following prestigious Business Schools: The Wharton Business School, Philadelphia; IESE Business School, Barcelona and Lagos Business School. He equally attended Leadership and Corporate Governance Training in the Henley Business School, University of Reading, U.K. and Advanced Company Direction Programme, Institute of Directors, London.

Mr. Uzoechina Molokwu
Deputy Managing Director

Uzoechina Molokwu has over twenty-seven (27) years banking experience across Energy Banking, Corporate Banking, Private Client Services, Commercial Banking, Small and Medium Enterprises Banking, Consumer Banking, Savings Team etc. He has led teams as Directorate Head, Regional Manager and Branch Manager with his last role as Executive Director at UBA Cote D'lvoire.

He has a BA Philosophy with an MBA from Nigerian Universities and MSc Corporate Governance and LLM (Business Law) both from UK Universities.

Uzoechina has a good track record in relationship management; business development, credit evaluations, restructurings, risk asset portfolio management and people management.

Mrs. Marufatu Abiola Bawuah
Non-Executive Director

Mrs. Abiola Bawuah has enormous experience in retail banking and marketing. She holds a BSc in Actuarial Science from the University of Lagos, Nigeria, an LLB with honours from the University of London, a diploma in Marketing from GIMPA and an EMBA (Finance) from the University of Ghana and also has numerous leadership qualifications from Harvard Business School, Columbia, University of New York, INSEAD and Institut Villa Pierrefeu in Switzerland.

At the 2016 Chartered Institute of Marketing Ghana Awards, she was adjudged the "CIMG Marketing Woman of the Year" and subsequently went on to win the "Finance Personality of the Year Award" at the Ghana Accountancy and Finance Awards barely two months after. Mrs Bawuah is on the Woman Rising inspiring list of Top 50 Women Corporate Leaders in Ghana. Again, she was adjudged by the Chief Finance Officers (CFO) in 2016 as "Woman of Excellence in Finance". In 2017, she was crowned as "Female Expatriate CEO of the Year by the Millennium Excellence Foundation for her hard work, achievements and contribution to Ghana.

Mrs. Abiola Bawuah is currently the Executive Director and CEO of UBA Africa, overseeing the Bank's operation in 19 Africa countries.

Mr. Ebele Ogbue
Non-Executive Director

Mr. Ebele Ogbue holds a B.Sc (Honours) degree in Accounting from the University of Lagos and an MBA (IT & Management) from CASS Business School London.

His professional career started at Price Waterhouse in 1991 before his foray into banking, where he has spent the last two decades working at international banks such as, Citibank and Standard Chartered Bank, before joining UBA in 2004. His banking experience spans various areas of banking from Asset Based Finance to core Corporate Banking and Trade Finance.

Prior to his current role, he was MD/CEO, UBA Capital Europe Limited and the pioneer MD/CEO, UBA Liberia." Ebele is currently the Group Head, Corporate & Energy Bank (UBA Plc).

Mr. Ivan Avereyireh
Independent
Non-Executive Director

Mr. Ivan Avereyireh is a Chartered Insurer and an Associate of the Chartered Insurance institute of London, a holder of West African Insurance Institute Diploma and Bsc Administration (Marketing) from the University of Ghana.

He has over thirty years working experience in the insurance industry with a few achievements to his credit. The notable one being the head of a team, that turned around the fortunes of Ghana Life Insurance Company Ltd from a collapsing Company to a revived and strong one till date. He worked with the State Insurance Company from 1981 to 2008 where he rose through the ranks to the grade of a Senior Manager. From 2009 to 2018, he was the Managing Director of Ghana Life Insurance Company Ltd.

Mr. Samuel Kumi Ayim
Independent
Non-Executive Director

Mr. Samuel Ayim is Lawyer by profession with over 26 years' professional experience in Legal Advisory, Company Secretarial Practice, Board and Corporate Governance, Banking, Finance, Investment, Capital Markets and Management across Sub-Saharan Africa with high international Exposure. He is also an entrepreneur and motivational Speaker.

Between January,1997 and July, 2016 he worked with the Ecobank Group, where he held various positions, including; General Counsel and Company Secretary, Executive Director-Business Development in Ecobank Tanzania (Dar es salam-Tanzania), Group Legal Adviser and Deputy Company Secretary – Ecobank Transnational Incorporated (ETI), Lome, Togo.

Between 1992 to 1996, he was the Company Secretary and Legal Adviser of the Ghana Stock Exchange. He is currently the CEO of Focus Life Group which he founded in October, 2016 with four businesses under the Group; a leadership and personal development centre, an African Wear Company, a real estate Company and a transport Company.

Samuel holds an LLB from the University of Ghana, MBA (International Financial Management) from Exeter University –UK and Post Graduate Diploma in International Comparative Arbitration Law from the Queen Mary University of London.

Mr. Francis S. Oduro Koranteng
Independent
Non-Executive Director

Mr. Francis Koranteng has over thirty working years' experience with professional accountancy firms and in industry. After qualifying as a chartered accountant in the United Kingdom, he returned to Ghana to work with Coopers & Lybrand, now PricewaterhouseCoopers.

He has served in various management positions in industry, namely Finance & Administration Manager for NCR Ghana Ltd, Management Accountant for Guinness Ghana Ltd, Group Internal Audit Manager for UAC of Ghana Limited/ Unilever Ghana Ltd, General Manager for the Swanzy Real Estate Division of Unilever Ghana Ltd, Finance Director of Kumasi Brewery Ltd, and Finance Director of Ghana Breweries Ltd. He was seconded to Heineken International, the parent company of Ghana Breweries Ltd as the Internal Control Improvement Project Manager for operating companies in Sub-Saharan Africa between November 2001 and February 2005. He was the Managing Director of Crocodile Matchets (Ghana) Limited from March 2005 to early 2009.

He served on the Professional Standards and Ethics Committee of the Institute of Chartered Accountants Ghana from August 2012 to May 2018.

Franicis graduated from the University of Ghana, Legon from in 1976 with Bsc. Business Administration (Accounts Major). Professionally, Mr. Koranteng is a Fellow of the Institute of Chartered Accountants in England and Wales. He is also a member of the Institute of Chartered Accountants Ghana.

Mr. Jerry Djangmah
Independent
Non-Executive Director

Mr. Jerry Djangmah has over twenty-one (21) working years of experience with National and Multinational organizations. He is a part qualified Actuary and an Infrastructure Investment Banker with extensive experience in Corporate, Project and Structured finance in various sectors including Power, Oil & Gas, Transport and Telecoms Sectors.

He has structured and arranged over US$3 billion of financing for infrastructure projects in Nigeria, Ghana and other sub Saharan African countries.

He was formerly a Vice President at the Africa Finance Corporation ("AFC"), and a Vice President at Citigroup. He is now the Managing Partner at MergeOne Global Partners Limited, a boutique project and infrastructure finance advisory firm.

Jerry attended Mfantsipim Secondary School where he completed his O'Level in 1987 and the Presby Boys Secondary School for his A'Level in 1989. He holds a BSc Mathematics from the University of Science & Technology Kumasi, Ghana. He also has a Postgraduate Diploma in Actuarial Science, at City University, London, UK and MBA from the Wharton School, University of Pennsylvania Philadelphia, USA.

Mr. Foster Buabeng
Non-Executive Director

Foster Buabeng joined Teachers Fund in January, 2002 as an Accountant. He rose through the ranks and is currently the General Manager of the Fund having earlier acted as Fund Administrator of the Fund from November 2012 to December 2013 Prior to joining the Fund. He worked with various organizations including Cashpro Company Limited, Golden Neo-Life Diamite International, Deloitte & amp; Touche (Currently Deloitte), Volta River Authority and Ghacem Ghana Limited.

Foster has acquired unparalleled accounting, financial reporting and investment skills and abilities having worked across a broad array of sectors in Ghana. Foster is a Chartered Accountant and is a member of the Institute of Chartered Accountants. He holds an MBA in Finance from University of Ghana.

Management Team

Peter Dery
Head of Retail

Mr. Peter Dery has enormous wealth of experience in Corporate Banking as well as Credit Management. His experience in the sector through various roles span over 2 decades. He holds a BSc degree in Banking & Finance from University of Ghana, an MBA (Project Management) from Ghana Institute of Management and Public Administration (GIMPA). He has worked as Director, Sales & Relationship Management at Standard Chartered Bank Ghana Limited; where he played key role in driving liabilities and assets growth and was credited with significant.

achievements. Prior to that, he served as Head of High Value Small Businesses in the SME Segment of the Bank. Before joining Standard Chartered Bank, he worked at CAL Bank as a Relationship Manager and credit Analyst and has participated in various leadership and Training programmes. In 2017, he was appointed as Head, Wholesale Banking, at United Bank for Africa (Ghana) Ltd. In 2021 he was appointed as head of retail banking.

Felix Chuks Ugbebor
Chief Operating Officer

Felix Chuks Ugbebor is a highly skilled and experienced Banker. He has over Twenty-Five (25) years of experience in Banking which cut across various banks in Nigeria and geographies in Africa. He started his Banking Career with the defunct Allstate Trust Bank in January 1994 as an Executive Trainee in Financial Control, HR Operations – Compensation and Benefits and also worked briefly at the Nnewi Branch, as Desk Officer, Trade/Treasury Operations. He moved on to FBN (Merchant Bankers) Ltd in July 1996, where he worked as a processor in General Accounts and Finance Division. He also functioned as Unit Head, Credit & Loan Administration and briefly as a Relationship Officer in Corporate Banking.

Muftau Abdulai
Chief Finance Officer

Muftau Abdulai is a seasoned banking professional with 15years worth of experience in operations and finance. He holds a BSc in Business Administration (Accounting) from University of Ghana Business School and an MBA in Accounting and Finance from the University of Professional Studies. Over the span of his career, he has worked with Cushay and Associates Ghana as an Audit Officer and with United Bank for Africa - Ghana as a Domestic Operation Officer. Between 2011 and 2017, he functioned as the Financial Controller and Deputy Chief Finance Officer at the same bank. More recently, he has worked as the Chief Finance Officer and Regional Chief Finance Officer of United Bank for Africa - Kenya, East and Southern Africa starting from July 2017 to December 2021.

Emmanuel Sackey
Treasurer

Emmanuel Sackey is a seasoned Banker and Treasurer of UBA Ghana.

Prior to his appointment as Treasurer of UBA Ghana, Emmanuel was the Regional Treasury, Eastern & Southern Africa of United Bank for Africa. He brings to this role, over 15 years of structuring, origination, trading and execution experience in several African markets. Emmanuel has held many leadership roles including Country Treasury at United Bank of Africa (Tanzania) Ltd, Head, Treasury Sales at United Bank for Africa Ghana Ltd. Emmanuel holds a Master's Degree in Business Administration from University of South Wales and an ACI certificate. He had his secondary education at the Presbyterian Boys Secondary School, Legon. Emmanuel is devoted to the continuous growth of businesses and people.

Henry Nii Dottey
Head Marketing & Corporate Communications

Henry Nii Dottey has over 25 years years experience in Journalism, Public Relations, Corporate Communications, Marketing and Branding across various private enterprises and mainstream government departments. Prior to joining UBA Nii, worked Media General Ghana Limited and held various roles including Managing News Editor of 3FM 92.7, Head of News Planning, coordinator of the 2016 elections project team, Head of News Online and, Group Head Corporate Affairs and CEO of 3Foundation, the CSR wing of the company. He also worked for the Metropolitan Group of Companies made of Metropolitan Life Insurance, Metropolitan Health Insurance and Metropolitan Pensions Trust, Dominion University College, Students Loan Trust Fund (SLTF), the then VAT Service, now the Ghana Revenue Authority (GRA) and Citi FM, an Accra based radio station in various capacities. He is the current Vice President of the Institute of Public Relations, Ghana. Mr. Dottey holds a Master of Business Administration, Marketing Option from the University of Ghana Business School, Legon and B.A. in Communication Studies from the Ghana Institute of Journalism, Accra. He is an accredited member of the Institute of Public Relations, Ghana. He is a currently member of the Entity Tender committee of the Ministry of Information and the National Engineering Coordinating Team (NECT).

Rita Mills-Robertson
Head, Public sector EMDOs and Financial Institutions

Rita Mills-Robertson is a customer centric Executive with over Eighteen (18) working years' experience in banking. She joined United Bank for Africa Ghana Limited in 2004. She is a versatile professional with experience in Corporate and Institutions Banking, Project Management, Treasury Sales and Retail Banking. She has held numerous roles including Head Power, Mining, Oil & Gas, Head Financial Institutions & EMDO's (Embassies Multilateral and Bilateral Donor Organizations as well as Head Treasury Sales. Rita holds a Master's Degree in Finance from Ghana Institute of Management and Public Administration (GIMPA) and has participated in several Leadership and clients' management programs. She is currently Head of Public Sector & Institutions at United Bank for Africa Ghana Limited.

Evelyn Effie Quansah
Head, Human Resources

Evelyn Effie Quansah is a qualified HR practitioner with over 15 years' experience in Head of HR, Business Transformation and Organizational Effectiveness roles for top multinationals in cross fields including Insurance, Hospitality, Manufacturing and Banking. She holds an Executive Master in Business Administration (EMBA) in Human Resource Management and Bachelor of Science (BSc) Degree Human Resource Management both from the University of Ghana Business School and a Member of the Chartered Institute of Human Resource Management practitioners, Ghana. Evelyn obtained a Master of Laws (LLM) in International Dispute Resolution from the University of London-UK few years ago. She is also a Certified Technical Commissioner with Field Ready International – a UK based company that selects and groom technical graduates from universities across Africa through a highly competitive and rigorous mentorship programme that equips them with the relevant practical expertise for employment. Evelyn has been an Executive Member of the PTA Governing Board of the Mfantsipim School since 2014. She is also a member of Institute of Directors, Ghana.

Adebola Ajimotokan
Country Chief Inspector

Adebola Ajimotokan is a Fellow of the Institute of Chartered Accountants of Nigeria and holder of a BSc in Accounting from the University of Lagos, Nigeria. He has vast professional experience that spans over 22 years, most of which were spent in the UBA Group/former Standard Trust Bank in various leadership positions covering several aspects of banking inclusive of Audit & Investigation, Execution Management, Customer Service, and Business Relationship Management/ Corporate Banking. At various times, he assisted to set up the Business Office Audit teams in UBA Ghana, Cote D'Ivoire, Zambia, Sierra Leone, and Gabon. Adebola has used his unique Strategic Management and Continuous Engagement style to add value to the Bank since resumption at UBA Ghana as the Country Chief Inspector in February 2021.

Philip Odoom
Head, Compliance & AMLRO

Philip Odoom is the Head of Compliance and Anti-Money Laundering Reporting Officer of United Bank for Africa Ghana Ltd. He is a Chartered Accountant and a member of the Association of Chartered Certified Accountants (ACCA). He is a Certified Anti-Money Laundering Specialist (CAMS) and maintains core competencies and essential knowledge in the anti-money laundering field. He holds first degrees in Bachelor of Commerce (B.COM) and Bachelor of Laws from the University of Cape Coast and Central University, respectively. He has over 15 years' experience covering Audit, Internal Controls and Compliance and Anti-Money Laundering/Counter Financing of Terrorism function. He has knowledge and understanding of applicable banking operations and Anti-Money Laundering/ Counter Financing of Terrorism laws, regulations, and international best standards.

Evans Amenyo Sallah
Head, Country Head, Internal Control

Evans Amenyo Sallah is a result oriented young man with over thirteen years banking experience. He has expertise and experience in information security, risk management, internal controls and audit. He joined United Bank for Africa (Ghana) Limited as an Information Systems Auditor and holds an MSc. in Strategic Management and Leadership and a BSc. (Hons) degree in Computer Science from the Kwame Nkrumah University of Science and Technology. Evans is a member of the Information Systems Audit and Control Association (ISACA) and holds international certifications in Information Systems Auditing (CISA) and Information Security Management (CISM). As he puts it, his passion is to ensure there are adequate controls to protect the assets of the Bank and all its stakeholders at all times.

Kenneth Amponsah
Chief Risk Officer

Kenneth Amponsah has a wealth of experience in Risk Management and Management Information Systems (MIS), accumulated over 14 years in the banking sector. His expertise spans across various facets of risk management, with specialization in Credit, Enterprise, and Quantitative Risk Management.

Mr. Amponsah holds a Bachelor of Arts degree in Economics from Cape Coast University and a Master of Science in Management Information Systems (MIS) from Coventry University, UK. He is also a certified professional in Quantitative Risk Management (CQRM) and holds the International Certificate in Banking Risk and Regulations (ICBRR).

Kenneth worked with Access Bank Ghana, First Atlantic Bank Ghana Limited (FABL) and FBNBank Ghana Limited.

Benjamin Lartey
Head of Legal & Company Secretary

Benjamin Lartey is a well accomplished and results-oriented corporate lawyer with over 10 years of experience advising businesses on a broad spectrum of legal matters. He has a track record of proven ability to navigate complex transactions, manage litigation, and ensure regulatory compliance across diverse areas including banking and finance, development finance, construction law, pensions law, corporate governance, and company secretariat services. Benjamin is a skilled negotiator, problem solver, and trusted advisor with a keen understanding of business objectives.

Benjamin is a member of the Ghana Bar Association having been called to the Bar in 2013. He studied at the University of Ghana, where he obtained a Bachelor of Arts degree in Sociology and Study of Religion in 2008, a Bachelor of Laws (LLB) degree in 2011, and MSC degree in Development Finance in 2016.

Benjamin began his professional journey as a Legal Pupil at E. Allotei Mingle, Anthonio & Co. in 2013 and in 2014, joined AB & David Law as an Associate. Benjamin joined CalBank Plc in 2016, as an In-house Counsel where he served as a member of various management committees and was the Legal Adviser for the CAL Occupational Pension Scheme, with his last role being the Deputy Head of the Legal Department.

Report of the Directors

Report of the Directors

In accordance with the requirements of Section 136 of the Companies Act 2019 (Act 992) we, the Board of United Bank for Africa (Ghana) Ltd submit herewith the annual report on the state of affairs of the Bank for the year ended 31 December 2023.

Statement of directors' responsibilities

The Companies Act 2019 (Act 992) requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Bank at the end of the financial year and of the operating results of the Bank for that year.

It also requires the directors to ensure that the Bank keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the Bank. The directors are also responsible for safeguarding the assets of the Bank.

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Companies Act 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). This responsibility includes designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards and the requirements of the Companies Act 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Bank and of its operating results. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the Bank will not remain a going concern for at least the next twelve months from the date of this financial statement.

Holding Company

The Bank is a subsidiary of United Bank for Africa Plc, a company incorporated in the Federal Republic of Nigeria and licensed to undertake all banking and related services.

Nature of business

The Bank is licensed to carry out universal banking business in Ghana. There was no change in the nature of the bank's business during the year.

Directors and their interests

The names of the directors who served during the year are provided on Page 46 of this report.

None of the Bank's directors has any direct or indirect interest in the issued share capital of the Bank.

No director had a material interest, at any time during the year, in any contract, other than a service contract with the Bank. All contracts with related parties during the year were conducted at arm's length. Information concerning related party transactions is disclosed in Note 31 to the financial statements.

Dividend

The directors recommended the declaration of an Interim Dividend of GHS81,340,000 for the period ended 30 June, 2023 subject to the approval of the Bank of Ghana. (2022: Nil).

Directors' Other Engagements

Details of serving directors' other engagements at the reporting date, are disclosed below:

S/n	Director	Designation	Other Engagements
1	Mr. Kweku Awotwi	Board Chairman	Chairman, Multimedia Group Limited (Ghana) Chairman & Member, Play Soccer (Ghana), Play Soccer (USA) Member Cenpower Generation Company Ltd
2	*Mr. Chris Ofikulu	Managing Director	None
3	Mr. Uzoechina Molokwu	Deputy Managing Director	None
4	*Mrs. Sylvia Inkoom	Deputy Managing Director	Non-Executive Director - Inkoom Hospital Non-Executive Director - Packs Africa Thinking
5	Mr. Foster Buabeng	Non-Executive Director	CEO – Teachers' Fund Director – TF Properties Ltd Director – Credit Mall Ltd
6	Mr. Ebele Ogbue	Non-Executive Director	Non-Executive Director - UBA Liberia, UBA Kenya, UBA Tanzania, UBA Uganda
7	Mrs. Abiola Bawuah	Non-Executive Director	Non-Executive Director - UBA Cote d'Ivoire, UBA Liberia, UBA Burkina Faso, Legacy Bond Limited
8	Mr. Samuel Ayim	Independent Director	Director - Centre for transformational Leadership in Africa, Director, Focus Life design Limited, Director, De Empire Shuttle Limited.
9	Mr. Ivan Avereyireh	Independent Director	Non-Executive Director - Ghana Life Insurance Co. Non-Executive Director - Private Enterprises Federation Non-Executive Director - SIC Insurance Co. Public Ltd, Non-Executive Director - Sahara Quarries & Construction Ltd
10	Mr. Francis Koranteng	Independent Director	Chairman - Enterprise Funeral Services Ghana Limited trading as "TRANSITIONS" Non-Executive Director - Enterprise Insurance Company Limited Non-Executive Director - Multimedia Broadcasting Corporation
11	Mr. Jerry Djangmah	Independent Director	Managing Partner – MergeOne Global Partners Ltd Director – Aventura Developers Ltd Director- JMI Energy Ltd

* Mrs. Sylvia Inkoom and Mr. Chris Ofikulu resigned from the Board on January 15, 2023 and January 08, 2024 respectively.

Financial results

The financial results for the year are set out below:

(All amounts are expressed in Ghana cedis unless otherwise stated)

	2023	2022
Net operating income	**904,822,289**	682,049,967
Profit before tax	**275,970,374**	91,211,819
Income tax expense and national fiscal stabilisation levy	**(100,127,745)**	(31,617,645)
Profit after tax	**175,842,629**	59,594,174
Retained earnings brought forward from the previous year	**439,369,978**	395,669,959
Total	**615,212,607**	455,264,133
Transfer to statutory reserves fund	**(43,960,657)**	(14,898,544)
Transfer to credit risk reserves fund	**(84,864,097)**	-
Transfer from/(to) retained earnings	**-**	(995,611)
Balance on the retained earnings	**486,387,853**	439,369,978

Corporate Social Responsibility

As part of the Bank's commitment to support and give back to the society in which we operate, a total of GHS 94,190 was given out as charity contribution during the financial year 2023. The beneficiaries are as follows:

SN	Name of Beneficiary	Amount (GHS)
1	Tree planting exercise with Achimota Forestry	25,000
2	Sponsorship to Nigeria High Commission on 63rd Independence celebrations	20,000
3	Diplomatic Corps Day Out	14,690
4	Upstream Petroleum Sponsorship Chamber 2023 Annual Conference	10,000
5	Donations of African literature books to Odupong and Amanfro Ngleshie SHS	10,000
6	Donations of African literature books to Osu Presec	5000
7	Donations of African literature books to St John's Grammer	5,000
8	Archaeology Department of the University of Ghana.	2,000
9	Linguistic & Allied Health Students Association - University of Ghana.	1,000
10	UniMac	1,500
	Total	**94,190**

Auditors

The Auditors, Messrs Deloitte & Touche have served the Bank for six years and in line with the provisions of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) will not seek re-appointment. A resolution will be proposed at the Annual General Meeting for the appointment of new Auditors and to authorise the Directors to determine their remuneration. Details of audit fees for the current and comparative periods are disclosed in note 15 of the financial statements.

Approval of the Financial Statements

The report of directors and financial statements set out on pages 67-143, which have been prepared on the going concern basis, were approved by the Board of Directors on 27 March 2024 The Board Chairman and Managing Director were nominated to sign the financial statement on behalf of the Board.

Kweku Awotwi
Board Chairman
27 March 2024

Uzoechina Molokwu
MD/CEO
27 March 2024

Corporate Governance Report

United Bank for Africa (Ghana) Ltd holds good governance as one of its core values and confirms its commitment to the implementation of effective corporate governance principles in its business operations. The Directors endorse the principles of best practice Corporate Governance as stated in the "Corporate Governance Directive, 2018" issued by the Bank of Ghana. The importance of governance is premised on the importance UBA Ghana accords to its relationships with its regulators, stakeholders and the public as a whole. The Bank has structures and processes set out in its regulations and policies, including the Board's Governance Charter which guarantee transparency and accountability.

The Board of Directors of UBA Ghana has the overall responsibility for ensuring that the highest standards of corporate governance are maintained and adhered to by the Bank. In order to promote effective governance of the Bank, the following structures have been put in place for the execution of UBA Ghana's Corporate Governance strategy

1. Board of Directors
2. Board Committees
3. Executive Management Committees

As at 31 December 2023, the Board comprised five (5) Independent Directors, three (3) Non-Executive Directors and two (2) Executive Directors, all of whom bring a wide range of skills and experience to the Board.

The Board of Directors carry out its responsibility through its standing Committees. These are the Board Governance and Finance Committee, the Board Credit Committee, the Board Risk Management Committee, the Board Audit Committee, and the Board Cyber and Information Security Committee. Through the workings of these committees, the Board sets broad policy guidelines and ensures the proper management and direction of the Bank.

In addition to the Board Committees, there are a number of Management Committees which ensure effective and good corporate governance at the managerial level.

1. The Board of Directors

As at 31 December 2023, the UBA Ghana Board had ten (10) members made up of three (3) Non-Executive Directors, two (2) Executive Directors and five (5) Independent Directors.

They are:

1	1. Mr. Kweku Awotwi	Board Chairman
2	2. Mr. Chris Ofikulu	Managing Director/CEO
3	3. Mr. Uzoechina Molokwu	Deputy Managing Director (appointed on August 15, 2023)
4	4. Mrs. Abiola Bawuah	Non-Executive Director
5	5. Mr. Ebele Ogbue	Non-Executive Director
6	6. Mr. Foster Buabeng	Non-Executive Director
7	Mr. Samuel Ayim	Independent Director
8	Mr. Ivan Avereyireh	Independent Director
9	Mr. Francis Koranteng	Independent Director
10	Mr. Jerry Djangmah	Independent Director

The Directors are people of very high integrity, with extensive knowledge in management, governance and expertise in the financial industry which equips them to make informed decisions relating to the Bank's performance.

In the performance of its mandate, the Board has delegated some of its specific authorities to Board Committees to discharge its responsibilities. It has also delegated some of its decision-making authority to Executive Management specified in an Executive Management Charter. The Board can confirm that each of the board committee has terms of reference which are in line with the bank's board charter and the corporate governance directive.

Board Responsibility

The mandate of the Board of Directors is to act on behalf of the shareholders in the overall interest of UBA Ghana and its stakeholders and is accountable to the shareholders. The Board provides overall guidance and policy direction and provides oversight in the Bank's strategic direction, policy formulation, and is the ultimate decision making body of the Bank.

The roles of Chairman and Chief Executive Officer are separated and clearly defined. The Chairman is primarily responsible for the working of the Board whilst the Chief Executive Officer is responsible for the running of the business and implementation of Board strategy and policy. The Chief Executive Officer is assisted in managing the business of the Bank on a day-to-day basis by the Executive Management Committee, which he chairs and comprises Senior Management Personnel and other critical functional heads. The Board is accountable to shareholders and is responsible for the management of the relationships with its various stakeholders.

The Board is also responsible for the Bank's structure and areas of operation, financial reporting, ensuring there is an effective system of internal control and risk management, and appointments to the Board. The Board has the authority to delegate matters to Directors, Board Committees and the Executive Management Committee.

Plan for Succession

The Board has put in place a well-structured and rigorous selection system for the appointment of Key Management Personnel of the Bank. There is also an approved succession plan for Management Personnel of the Bank with a focus on developing human resources to enable the Bank to retain a pool of qualified candidates who are ready to compete for key positions and areas when they become vacant to ensure the effective continuity of the Bank.

Executive Management is accountable to the Board for the development and implementation of strategy and policies. The Board regularly reviews the Bank's performance, matters of strategic concern and any other matters it regards as material.

The Board meets quarterly and additional meetings are convened as the need arises. The Board evaluates itself on an annual basis.

Appointments and Retirements

Below are the details of appointments and resignations of Key Management Staff during the reporting period;

SN	Name	Designation	Date of Appointment	Date of Resignation
1	Uzoechina Molokwu	Deputy Managing Director	August 01, 2023	-
2	Uzoechina Molokwu	Managing Director/CEO	February 21, 2024	-
3	Chris Ofikulu	Managing Director/CEO	-	January 08, 2024
4	Sylvia Inkoom	Deputy Managing Director	-	January 15, 2023
5	Kenneth Amponsah	Chief Risk Officer	October 17, 2023	-

Board Qualification

Details of serving directors' educational qualification at the reporting date, are disclosed below:

S/n	Director	Designation (UBA Ghana)	Educational Qualification
1	Mr. Kweku Awotwi	Board Chairman	MBA – General Management & International Business – Stanford (California) BSC – Electrical Engineering, Economics & Political Science – Yale University
2	*Mr. Chris Ofikulu	Managing Director	MBA, BSc Industrial Mathematics, Fellow of Institute of Credit Administration (FICA) Chartered Institute Of Bankers Nigeria (CIBN)
3	Mr. Uzoechina Molokwu	Deputy Managing Director	LLM Business Law – De Montfort University, Leicester, UK Masters in Corporate Governance (Merit) – Leeds Metropolitan University, Leeds, UK Master's in Business Administration – Ambrose Alli University, Edo State, Nigeria BSc (Hons) Philosophy – Obafemi Awolowo University, Osun State, Nigeria
4	*Mrs. Sylvia Inkoom	Deputy Managing Director	MBA- University of Ghana, Legon BSc. Administration (Banking and Finance) – University of Ghana, Legon
5	Mr. Foster Buabeng	Non-Executive Director	MBA (Finance) - University of Ghana, Legon Chartered Accountant - ICA (Ghana)
6	Mr. Ebele Ogbue	Non-Executive Director	MBA (Information Technology & Management) – CASS Business School, London, UK BSc Hons. (Accounting) – University of Lagos, Nigeria
7	Mrs. Abiola Bawuah	Non-Executive Director	Executive MBA (Finance) – University of Ghana LLB (Hons.) – University of London B.Sc. Actuarial Science – University of Lagos, Nigeria
8	Mr. Samuel Ayim	Independent Director	MBA, University of Exeter - UK BL(Qualifying Certificate in Law) – Ghana LLB(Hons) – University of Ghana
9	Mr. Ivan Avereyireh	Independent Director	Chartered Insurer - Chartered Insurance Institute (UK) Bsc Administration (Marketing) – University of Ghana
10	Mr. Francis Koranteng	Independent Director	Fellow of the Institute of Chartered Accountants in England and Wales (ICAEW). Member of the Institute of Chartered Accountants Ghana Bsc. Business Administration (Accounts Major) – University of Ghana
11	Mr. Jerry Djangmah	Independent Director	MBA Finance - University of Pennsylvania Philadelphia, USA Postgraduate Diploma, Actuarial Science - City University London, UK BSc Mathematics - Kwame Nkrumah University of Science & Technology

* Mrs. Sylvia Inkoom and Mr. Chris Ofikulu resigned from the Board on January 08, 2023 and January 15, 2024 respectively.

Board Financial Reporting

The Board has presented a balanced assessment of the Bank's position and prospects. The Board is mindful of its responsibilities and is satisfied that in the preparation of its Financial Report, it has met its obligation under the Bank's Corporate Governance Charter.

The Directors make themselves accountable to the shareholders through regular publication of the Bank's financial performance and Annual Reports. The Board has ensured that the Bank's reporting procedure is conveyed on the most recent infrastructure to ensure accuracy. This procedure involves the monitoring of performance throughout the financial year, in addition to monthly reporting of key performance indicators.

Deloitte and Touche acted as external auditors to the Bank during the 2023 financial year. Their report is contained on pages 62-65 of this Annual Report.

Attendance at Board Meetings

Membership and attendance at Board meetings during the year are set out below:

	Members	Number of meetings entitled to attend	Number of meetings attended
1	Mr. Kweku Awotwi	4	4
2	Mr. Chris Ofikulu	4	4
3	Mrs. Abiola Bawuah	4	4
4	Mr. Ebele Ogbue	4	4
5	Mr. Foster Buabeng	4	4
6	Mr. Samuel Ayim	4	4
7	Mr. Ivan Avereyireh	4	4
8	Mr. Francis Koranteng	4	4
9	Mr. Jerry Djangmah	4	4
10	Mr. Uzoechina Molokwu	2	2

*Mrs. Sylvia Inkoom resigned from the Board on January 15, 2023, and Mr. Uzoechina Molokwu was appointed to the Board on August 1, 2023.

1. Board Governance and Finance Committee

As at 31 December 2023, the Chairperson of the Board Governance and Finance Committee was Mrs. Abiola Bawuah, a Non-Executive Director. The other members were Mr. Foster Buabeng and Mr. Samuel Ayim.

The purpose of the Board Governance and Finance Committee includes the following:

- Discharge the Board's responsibilities with regard to strategic direction and budgeting.
- Provide oversight on financial matters and the performance of the Bank.
- Review and approve UBA Ghana policies of a financial and general nature.
- Making financial and investment decisions within its approved limits on behalf of the Board.
- Establishing procedures for the nomination of Directors.
- Advising and recommending to the Board the composition of the Board.
- Reviewing and evaluating the skills of members of the Board.
- Advising the Board on corporate governance standards and policies.

- Reviewing and approving all human resources and governance policies for UBA Ghana.
- Recommending the organizational structure of UBA Ghana to the Board for approval.

The Committee met four (4) times during the year-ended 2023. Membership and attendance at Board Governance and Finance Committee meetings during the year is set out below:

S/n	Members	Number of meetings entitled to attend	Number of meetings attended
1	Mrs. Abiola Bawuah	4	4
2	Mr. Foster Buabeng	4	4
3	Mr. Samuel Ayim	4	4

2. Board Risk Management Committee

As at 31 December 2023, Mr. Jerry Djangmah, an Independent Director, was Chairman of the Board Risk Management Committee. The other members of the Committee were Mr. Ebele Ogbue, Mr. Chris Ofikulu, Mr. Francis Koranteng and Mr. Ivan Avereyireh.

The purpose of the Committee includes the following:

- Discharging the Board's risk management responsibilities as defined in UBA Ghana's Risk policies and in compliance with regulation, law and statute.
- Discharging the Board's responsibilities for information technology (IT) governance and ensuring it aligns with UBA Ghana's objectives, enables the business strategy, delivers value and improves performance.
- Reviewing and assessing the integrity and adequacy of the overall risk management function of UBA Ghana.
- Reviewing the adequacy of UBA Ghana's capital (economic and regulatory) and its allocation to UBA Ghana's business.
- Reviewing risk limits and periodic risk and compliance reports and making recommendations to the Board.

The Committee met four (4) times in the year ended December 31, 2023. Membership and attendance at Board Risk Management Committee meetings during the year is set out below:

S/N	Members	Number of meetings entitled to attend	Number of meetings attended
1	Mr. Jerry Djangmah	4	4
2	Mr. Francis Koranteng	4	4
3	Mr. Ivan Avereyireh	4	4
4	Mr. Ebele Ogbue	4	4
5	Mr. Chris Ofikulu	4	4

3. Board Cyber and Information Security Sub-Committee

As at 31 December 2023, the Chairman of the Board Cyber and Information Security Committee was Mr. Ivan Avereyireh an Independent Director. The other members were Mr. Ebele Ogbue and Mr. Chris Ofikulu.

The purpose of the Committee includes the following:

- Approve the Cyber and Information security management policies.
- Establish an acceptable risk level that forms the basis of the Bank's security policies and security activities.
- Discharge the Board's responsibilities for Cyber and Information Security risk governance and ensure it aligns with the Bank's objectives, enables the business strategy, delivers value and improves performance.
- Consider Cyber and Information Security as a business enabler and strategic asset for the Bank and ensure its related risks and constraints are well governed and controlled.
- Ensure the Integration of cyber and information security governance into the overall enterprise governance framework of the Bank.
- Ensure that management invest in information security programme, measure and monitor report on programme effectiveness.
- Review investments in information security for alignment with the Bank's strategy and risk profile.

The Sub-Committee met four (4) times in the year ended December 31, 2023. Membership and attendance at Cyber and Information Security Sub-Committee meeting during the year is set out below:

S/n	Members	Number of meetings held	Number of meetings attended
1	Mr. Ivan Avereyireh	4	4
2	Mr. Ebele Ogbue	4	4
3	Mr. Chris Ofikulu	4	4

4. Board Audit Committee

As at 31 December 2023, the Chairman of the Board Audit Committee was Mr. Francis Koranteng, an Independent Director. The other members were Mr. Foster Buabeng and Mr. Ivan Avereyireh.

The purpose of the Board Audit Committee includes the following:

- Monitoring and assessing the overall integrity of the financial statements and disclosures of the financial condition and results of operations of UBA Ghana.
- Monitoring management's responsibilities to ensure that an effective system of financial and internal controls is in place.
- Assisting the Board in discharging its responsibilities on Information Technology (IT) as it relates to financial reporting and the status of the company as a going concern.
- Monitoring and evaluating on a regular basis the qualifications, independence and performance of the External Auditors and the Internal Audit and Control Department.
- Monitoring processes designed to ensure compliance by UBA Ghana with respect to all legal and regulatory requirements, including disclosure controls and procedures and the impact (or potential impact) of developments related thereto.

The Committee met four (4) times during the year ended December 31, 2023. Membership and attendance at Board Audit Committee meetings during the year is set out below:

S/n	Members	Number of meetings held	Number of meetings attended
1	Mr. Francis Koranteng	4	4
2	Mr. Ivan Avereyireh	4	4
3	Mr. Foster Buabeng	4	4

5. Board Credit Committee

As at 31 December 2023, the Chairman of the Board Credit Committee was Mr. Samuel Ayim, an Independent Director. The other members were Mr. Ebele Ogbue, Mrs. Abiola Bawuah, Mr. Chris Ofikulu and Mr. Jerry Djangmah.

The purpose of the Board Credit Committee includes the following:

- To make credit decisions on behalf of the Board within limits defined by the Credit Policy as approved by the Board.
- To assist the Board of Directors to discharge the responsibility to exercise due care, diligence and skill to oversee, direct and review the management of the credit portfolio of the Bank.
- Strengthening credit underwriting practices across the Bank.
- Review and recommend to the Board for approval the credit and lending policies, frameworks and procedures of the Bank and review delegated credit authorities for compliance.

The Committee met four (4) times during the year ended December 31, 2023. Membership and attendance at Board Credit Committee meetings during the year is set out below:

S/n	Members	Number of meetings held	Number of meetings attended
1	Mr. Samuel Ayim	4	4
2	Mr. Ebele Ogbue	4	4
3	Mrs. Abiola Bawuah	4	4
4	Mr. Chris Ofikulu	2	2
5	Mr. Jerry Djangmah	4	4

6. Professional Development and Training

UBA Ghana provides a formal and tailored induction programme for Directors appointed to the Board to familiarise them with the Bank's businesses, polices and key risk areas. Directors are also made aware of the economic, competitive, legal and regulatory environment in which the Bank operates. Other trainings are also provided to ensure Directors continually update their skills and knowledge of the Bank's business to enable them effectively perform their role on the Board and its Committees. A certificated Corporate Governance training was also organised by Purple Almond Consulting Services for the Board members during the year to keep them abreast of the Bank's governance framework and in line with Section 12(c) of the Corporate Governance Directive, 2018.

7. Annual Certification Statement on Non-Compliance with The Corporate Governance Directive

In accordance with the Bank of Ghana Corporate Governance Directive (May 2022) for banks, savings and loans, finance houses and financial holding companies, the Board of Directors of United Bank for Africa Ghana Ltd provides this certification statement regarding its compliance with the Corporate Governance Directive (CGD).

1. Non-compliance:

(a) Instances of non-compliance for the reporting period are listed below;

S/N	Non-Compliance	Explanation for Non-compliance	Remedial Action Taken	Planned Corrective Action
1	Board Conflict of Interest Policy	Draft undergoing review during reporting period	The Bank has a comprehensive policy regarding conflicts of interests which staff and directors are expected to abide to Directors are made aware of their duty to avoid situations or activities that could create conflicts of interests and to disclose any activities that may result in or have already resulted in a conflict of interest.	Finalized draft to be adopted in the new financial year

The Board remains committed to upholding the highest standards of corporate governance and will continue to diligently strive for full compliance with the CGD.

8. Governance Structure

The membership of the Board for the reporting period was ten (10), comprising of three (3) non-executive directors, two (2) executive directors, and five (5) independent non-executive directors. This meets the regulatory requirement of a minimum of five (5) directors and a maximum number of thirteen (13). It also meets the requirement that at least 30% of the composition should be Ghanaians with majority being non-executives and ordinarily resident in Ghana. Inductions were held for new director (Uzoechina Molokwu) and Key Management Personnel (Kenneth Amponsah) during the financial year under review. There were no shares held by any director or key management staff for the reporting period.

9. Board Committees

All Board Committees met once in every quarter on their subject areas. Key decisions are taken and recorded in the Committee minutes throughout the period. The various Committees submit Committee reports after every meeting. All Board Committee meetings are fully attended with active participation by various committee members. Schedule for committee meetings for the next financial year was approved at the last quarter full board meeting.

Below is the calendar of activities of the Board which includes that of the Board Committees for the financial year under review;

MEETING/ACTIVITY	QUARTER ONE (1)	QUARTER TWO (2)	QUARTER THREE (3)	QUARTER FOUR (4)
Board Committees	20 - 21 Feb	16 -17 May	16 - 17 Aug	15- 16 Nov
Main Board	22-Mar	13-Jun	13-Sep	11-Dec
AGM		14-Apr		
In-House Board Assesment		29-June		
Mid-Year Review Session			13-14 July	
Board Training				11-12 Oct.
Budget Review Session				1-Dec.

Below is the calendar of activities approved by the Board which includes that of the Board Committees for the year 2024;

	REGION	QUARTER 1			QUARTER 2			QUARTER 3			QUARTER 4		
A	WEST AFRICA	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug.	Sept.	Oct.	Nov.	Dec.
	UBA GHANA 1-Dec		27			21			27			20	
			28	21		22	19		28	17		21	11
N/B	Board Committees		• Two (2) days will be devoted for Board Committees. • Board Committee meetings will hold three weeks to 1 month before Board Meetings.										
a.	Board Meetings												
GUIDELINES:													
i. Each Quarter's meeting will be dedicated to the following items:													
Q1 : Board meeting, Budget Session, Approved/Ratification of Budget, Adoption of Annual Account for the Previous FY AGM and **Approval of the 2023 Board Evaluation Report.**													
Q2 : Consideration of Q2 Reports													
Q3 : Half year Achievement													
Q4 : Board Strategy Session													

Details of Board Committees and members for the reporting period are provided in the table below;

S/N	COMMITTEE	MEMBERS
1.	Board Audit Committee	Mr. Francis Koranteng(Chair) Mr. Ivan Avereyireh Mr. Foster Buabeng
2.	Board Credit Committee	Mr. Samuel Ayim – (Chair) Mr. Jerry Djangmah Mr. Ebele Ogbue Mrs. Abiola Bawuah Mr. Chris Ofikulu Mr. Uzoechina Molokwu
3.	Board Governance & Finance Committee	Mrs. Abiola Bawuah(Chair) Mr. Samuel Ayim Mr. Foster Buabeng Mr. Uzoechina Molokwu
4.	Board Risk Management Committee	Mr. Jerry Djangmah(Chair) Mr. Francis Koranteng Mr. Ebele Ogbue Mr. Ivan Avereyireh Mr. Chris Ofikulu
5.	Cyber and Information Secu-rity Committee	Mr. Ivan Avereyireh (Chair) Mr. Chris Ofikulu Mr. Ebele Ogbue

10. Management Reporting Structures

Management present reports to all the various board committees for their comments and consideration. The Board Committees receive and review the management reports from the various supervisory units quarterly during their meetings.

11. Report on Board Evaluation

The Bank engaged Deloitte & Touche to carry out an independent assessment of the corporate governance framework and evaluation of the performance of its Board of Directors for the year ended 31 December 2022. The scope of the review included an assessment of the structure, mandate and performance of the Board, Board Committees and Management as it relates to the overall strategic direction of the company, stakeholder engagement, disclosures, and transparency. The result of the evaluation showed that the corporate governance framework and Board substantially comply with the provisions of the Bank of Ghana Corporate Governance Directives in terms of its structure, procedures and responsibilities. The results also ascertained that the key Board functionaries (Board and Board Committee Chairpersons) and the Board Committees met their responsibilities under the Codes and governance charters in the Bank. The report made some key findings and recommendations which were addressed. The detailed report, including how the finding were addressed, has been submitted to Bank of Ghana in June 2023.

12. Internal Control

- UBA Ghana recognizes the importance of the Internal Control function in the Bank's overall operations and has put in place control systems to ensure that the Bank's operations are carried in a safe, objective and effective manner. The Directors review the effectiveness of the system of internal control through regular reports and reviews at Board and Risk Management Committee meetings.
- The UBA Ghana Internal Control Framework is designed to manage each key/material risk and changes made to policies and procedures during the year to ensure they remain relevant. This is renewed every two years.
- The UBA Ghana Internal Control Framework caters for risk management and exposures without necessarily breaching confidentiality.
- Internal Control reviews include daily call over of transactions processed through the system for appropriateness and general ledger review to ensure integrity of the general ledger..
- The Internal Control Exceptions management (ICEM) platform is used to report deficiencies and breaches noted in the internal control reviews.

13. Anti-Money Laundering

The Board and Management of UBA Ghana are committed to upholding all the laws and regulations regarding Anti-Money Laundering. Staff are continuously trained on the provisions of the Bank's anti-money laundering policies as well as the Anti- Money Laundering Act, 2020 (Act 1044) to ensure strict compliance to these laws and regulations.

14. Shareholdings Rights

The Board of UBA Ghana has always placed considerable emphasis on effective communication with its shareholders. It ensures that the rights of shareholders are always protected. Notice of meetings and all other statutory notices and information are communicated to the shareholders regularly. The Bank ensures the protection of statutory and general rights of shareholders at all times, particularly their right to vote at General Meetings. All shareholders are treated equally regardless of their equity interest or social status.

The General Meeting of Shareholders is the highest decision-making body of the Bank and meetings are conducted in a fair and transparent manner that gives shareholders the opportunity to express their opinion. The Bank publishes quarterly, half-yearly and annual reports on its website as well as national newspapers. The Bank also provides other relevant communications that provide requisite information to shareholders and the general public, especially as regards the performance, strategy and developments in the Bank.

15. Directors' Compensation

Package	Type	Description	Timing
Basic salary	Fixed	This is part of gross salary package for Executive Directors only. It reflects the banking industry competitive salary package and the extent to which the Bank's objectives have been met for the financial year.	Paid monthly during the financial year
13th month salary	Fixed	This is part of gross salary package for Executive Directors only. It reflects the banking industry competitive salary package and the extent to which the Bank's objectives have been met for the financial year.	Paid in a month during the financial year
Directors' fees	Fixed	This is paid quarterly to Non-Executive Directors only.	Paid quarterly
Sitting allowances	Fixed	Sitting allowances are paid to the Non-Executive Direc-tors only for attending Board and Board Committee meetings.	Paid after each meeting

16. Remuneration Policies

- The Board oversees the design and operation of the compensation system of the bank. The Board Governance and Finance Committee reviews the compensation system regularly and makes recommendation to the main board for approval.
- The Board ensures that levels of remuneration are sufficient to attract, retain, and motivate executive officers of the bank whilst ensuring the remuneration is balanced to avoid excessive risk taking or potential risks to the bank's capital base.
- The Board Governance and Finance Committee reviews the remunerations of executive directors, non-executive directors and Key Management Personnel and makes appropriate recommendation to the board, where necessary.
- The Board confirms that executive remuneration policy aligns with the long-term sustainability of the bank by providing a mix of short-term and long-term remuneration to incentivise sustainable long-term performance and that the directors, executive management, and staff remuneration are structured.

17. Annual Certification

The Board certified that for the financial year ended 31 December 2023, the Bank has generally complied with the provisions of the Corporate Governance Directive 2018, as issued by the Bank of Ghana, including but not limited to:

a) Board qualification and composition

b) Board size and structure

c) Board Secretary

d) Other engagements of Directors

e) Board sub-committees

In addition, the Board certifies that:

1) It has independently assessed and documented that the Bank's corporate governance process is effective and has successfully achieved its objectives.

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

3) Directors were trained and subsequently certified by Purple Almond Consulting Services on Corporate Governance.

18. Statement on Evaluation of the Board

The Bank engaged an Independent Consultant to carry out an evaluation of the Board of Directors of the company for the year ended 31 December 2022. The scope of the review included an assessment of the structure and composition of the Board, responsibilities, processes, procedures and the effectiveness of Board Committees.

The review was performed in compliance with the Bank of Ghana Corporate Governance Directives (2018) and evaluated the performance of the Board in line with the regulatory requirements under the Bank of Ghana Corporate Governance Directive and other good Corporate Governance standards and practices.

A report was generated and a copy shared with the Bank of Ghana. The Independent Consultant concluded that the Board substantially complied with the provisions of the Bank of Ghana Corporate Governance Directive. The report further highlighted opportunities for improved performance of the Board and included recommendations for the Board's action.

Also, an In-house self-assessment was carried out by the Board in 2022 and the report generated was submitted to the Bank of Ghana. A separate in-house performance evaluation of the Board on AML/CFT issue was conducted and the report submitted to the Bank of Ghana.

19. Ethics and Professionalism

The Bank has a code of conduct which has been made available to all persons to whom it applies. Staff and Directors sign the code of conduct and professional ethics declaration prior to their appointment and annually after their appointment. The code is reviewed regularly and contains practices necessary to maintain confidence in the integrity of the Bank, commits the Bank, its employees, management and Board to the highest standards of professional behaviour, business conduct and sustainable business practices.

20. Conflicts of Interest

The Bank has a comprehensive policy regarding conflicts of interests which staff are expected to abide by. Directors are also made aware of their duty to avoid situations or activities that could create conflicts of interests and to disclose any activities that may result in or have already resulted in a conflict of interest. Staff and Directors are also required to make periodic declarations on conflicts of interest, to the regulator which the bank has complied.

21. Corporate culture and values

The Board formulates and takes a lead on the Bank's corporate culture and value that promote and reinforces norms for responsible and ethical behaviour in terms of risk awareness, risk-taking, and risk management. The Board sets and adheres to corporate values for itself, key management, and employees that create expectations that business should be conducted in a legal and ethical manner at all times. The Board ensures that appropriate steps are taken to communicate throughout the Bank, the corporate values, and professional standards it sets together with supporting policies and appropriate sanctions for unacceptable behaviours.

22. Independent Risk Management Oversight Function (RMOF)

There is an independent risk management function headed by the Chief Risk Officer who is an independent senior executive but reports directly to the MD/CEO. The function handles the credit risk and other risks such as cyber risk, operational risk, market risk and legal risk.

The Bank has put in place systems for ensuring compliance with all prudential requirements. The systems and resources that are in place for identifying, measuring, evaluating, controlling, mitigating and reporting material risks, and the Risk Management Framework are appropriate and commensurate with the size, business mix, and complexity of the Bank.

The risk management and internal control systems put in place are operating effectively and are adequate. The Bank has a Risk Management Strategy that complies with the Risk Management Directive issued by the Bank of Ghana, and has complied with the requirements described in its Risk Management Strategy. The Bank is satisfied with the effectiveness of its processes and management information systems.

23. Internal Audit

The Bank has an internal audit function headed by the Country Chief Inspector who is appointed and assessed by the Board Audit Committee and reports directly to that committee. The Board confirms the internal audit function put in place is effective in providing an independent assessment of the adequacy of, and compliance with established policies and procedures. The Country Chief Inspector/Head of Internal Audit submits quarterly reports to the Board Audit Committee and the report is reviewed by the Board Audit Committee and appropriate recommendations are made towards the strengthening of the function.

As part of its roles and responsibilities, Internal Audit conducts independent assessment and evaluation of the control environment, provides assurance to the Board of Directors and Senior Management on the effectiveness of the first and second lines of defense and how the Bank assesses and manages risk. Sitting outside the risk management processes of the first two lines of defense, the Internal Audit function monitors compliance with policies, standards and the regulatory environment and provides assurance on the effectiveness of internal control structures of the Bank through its programme of both regular and ad-hoc reviews. The work of the Internal Audit function is focused on the areas of greatest risks as determined by a risk-based methodology.

24. Related Party Transactions

The Board reviewed all related party transactions to assess risk and were all subjected to the appropriate restrictions. All related party transactions were conducted on non-preferential terms. No director or key management personnel has any other interest in any shares. Related party transactions are disclosed in note 31 of the financial report.

Independent Auditor's Report to the shareholders of United Bank for Africa (Ghana) Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of United Bank for Africa (Ghana) Ltd, set out on pages 31 to 114, which comprise the statement of financial position as at 31 December 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, the notes to the financial statements, including a summary of material accounting policy information and other explanatory disclosures.

In our opinion, the financial statements give a true and fair view of the financial position of United Bank for Africa (Ghana) Ltd as at 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards with the IAS 29 directive issued by the Institute of Chartered Accountants Ghana, the requirements of the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit Taking-Institutions Act, 2016 (Act 930).

Basis for Opinion

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

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

Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there is a key audit matter to communicate in our report regarding the audit of the financial statements of the Bank for the current year.

Key audit matter	How our audit addressed the key audit matter
Expected Credit Losses (ECL) on Loans and Advances	**Response**
As disclosed in Note 21, the impairment of loans amounted to GHS 122 million for the year, whilst the carrying value of loans and advances was GHS 1.14 billion. Significant judgement is required by the directors in assessing the expected credit loss allowance of loans and advances. Accordingly, for the purposes of our audit, we identified the impairment of loans and advances as representing a significant risk of material misstatement and a key audit matter.	We evaluated the design and tested the implementation and operating effectiveness of the key controls over the computation of impairment loss. In evaluating the design of controls, we considered the appropriateness of the control considering the nature and significance of the risk, competence and authority of person(s) performing the control, frequency and consistency with which the control is performed. In performing operating effectiveness of controls, we selected a sample of transactions based on the control frequency to determine whether the control operated effectively during the year.

Key audit matter	How our audit addressed the key audit matter
Expected Credit Losses (ECL) on Loans and Advances	**Response**
The assumptions with the most significant impact on the cash flow forecast were; - Determining the staging of financial assets of the Bank which includes establishing groups of similar financial assets - Determining criteria for significant increase in credit risk. - Determination of the probability of default (PD) and Loss Given Default (LGD), which includes establishing the relative weightings of forward-looking scenarios for each type of loan and the associated Expected Credit Loss (ECL). The Bank is also required to compute loan provision in accordance with the Bank of Ghana (BOG) prudential guidelines. There is the risk of inappropriate classification of loans and advances in accordance with BOG's guidelines that results in inaccurate loan impairment computations. The Bank is also required to make transfers from retained earnings to regulatory credit risk reserve based on the excesses of IFRS impairment and Bank of Ghana provision. The disclosures relating to impairment of loans and advances to customers, which are included in notes to the financial statements, are considered important to the users of the financial statements given the level of judgement and estimation involved.	We performed an evaluation of management's key assumptions over the expected credit loss model (ECL), including the probability of default and the Loss Given Default. We challenged management's staging of its financial assets in the ECL module and tested facilities to ensure they have been included in the correct stage. We tested the underlying calibration data behind the determination of the probability of default by agreeing same to underlying supporting documentation. We found that the assumptions used by management were comparable with historical performance and have been assessed as reasonable. We further tested the disclosures to ensure that the required disclosures under IFRS 9 have been appropriately disclosed. We further assessed as appropriate the classifications of the Bank's loans and advances in accordance with Bank of Ghana, prudential guidelines and the transfer of any excess provision over the IFRS computed provisions to the regulatory credit Risk Reserve.

Other Information

The directors are responsible for the other information. The other information comprises the Report of the Directors, the Statement of Directors' Responsibilities, the Chairman's Statement, the Report of the Audit Committee, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. The other information does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Directors for the financial Statements

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

Auditor's Responsibilities for the Audit of financial statements

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

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

We also:

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

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the Seventh Schedule of the Companies Act, 2019 (Act 992) we expressly state that:

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

- proper books of accounts have been kept by the Bank, so far as appears from our examination of those books.
- the information and explanations given to us, were in the manner required by the Companies Act, 2019 (Act 992) and give a true and fair view of the:

  a. statement of financial position of the Bank at the end of the financial year, and

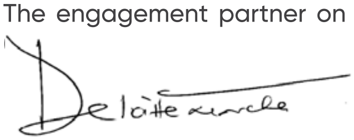
  b. statement of profit or loss and other comprehensive income for the financial year.

3. The Bank's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the accounting records and returns.
4. We are independent of the Bank, pursuant to Section 143 of the Companies Act, 2019 (Act 992)

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

1. We confirm that the accounts give a true and fair view of the state of the affairs of the Bank and the results of operations for the year under review.
2. We were able to obtain all the information and explanation required for the efficient performance of our duties as auditors.
3. We confirm that the transactions of the Bank were within its powers.
4. In our opinion, the Bank has generally complied with the provisions of the Anti-Money Laundering Act, 2020 (Act 1044), the Anti-Terrorism Act, 2008 (Act 762) and Regulations made under these enactments.
5. The Bank has generally complied with the provisions of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).
6. The Bank has generally complied with the requirements of the Bank of Ghana Corporate Governance Disclosure Directive, 2022

The engagement partner on the audit resulting in this independent auditor's report is **Daniel Kwadwo Owusu**



For and on behalf of Deloitte & Touche (ICAG/F/2024/129)
Chartered Accountants
The Deloitte Place, Plot No.71
Off George Walker Bush Highway
North Dzorwulu
Accra Ghana

28th March 2024

Financials Statements

Statement of Profit or Loss and other Comprehensive Income
Statement of Financial Position
Statement of Changes in Equity
Statement of Cash Flows
Notes to Financial Statements

Statement of Profit or Loss and other Comprehensive Income

(All amounts are expressed in Ghana cedis unless otherwise stated)

	Note	2023	2022
Interest income	7	**1,085,374,127**	798,611,363
Interest expense	8	**(310,694,532)**	(261,788,406)
Net interest income		**774,679,595**	536,822,957
Fees and commission income	9	**93,222,993**	75,371,769
Fees and commission expense		**(48,134,177)**	(27,551,209)
Net fees and commission income		**45,088,816**	47,820,560
Net trading and revaluation income	10	**84,993,942**	97,278,555
Other operating income	11	**59,936**	127,895
Net trading and other income		**85,053,878**	97,406,450
Net operating income		**904,822,289**	682,049,967
Allowance for credit losses on financial assets	12	**(384,075,804)**	(406,630,830)
Personnel expenses	13	**(98,839,105)**	(80,753,856)
Depreciation and amortisation	14	**(15,448,805)**	(12,590,329)
Other operating expenses	15	**(130,488,201)**	(90,863,133)
Profit before income tax		**275,970,374**	91,211,819
Income tax expense	17	**(100,127,745)**	(31,617,645)
Profit for the year		**175,842,629**	59,594,174
Other comprehensive income			
Items that will be reclassified to the income statement			
Net charge in fair value during the year (net of tax)	29	**-**	-
Total comprehensive income for the year		**175,842,629**	59,594,174
Basic and diluted earnings per share	16	**0.02**	0.01

The accompanying notes are an integral part of these financial statements

Statement of Financial Position

(All amounts are expressed in Ghana cedis unless otherwise stated)

	Note	2023	2022
Assets			
Cash and bank balances	19	**2,615,910,993**	1,855,756,294
Investment securities		**3,710,843,000**	2,438,908,925
Loans and advances to customers	20	**1,142,142,783**	1,544,688,879
Other assets	20	**162,012,449**	176,096,466
Property and equipment	21	**73,580,706**	72,339,376
Intangible assets	22	**1,863,627**	2,051,086
Income tax asset	23	**34,867,378**	30,416,193
Deferred tax asset	24	**180,204,585**	89,804,574
Total assets		**7,921,425,521**	6,210,061,793
Liabilities			
Deposits from customers	25	**6,338,451,000**	4,736,251,611
Deposits from banks	26	**-**	72,940,071
Other liabilities	27	**215,865,698**	209,603,917
Total liabilities		**6,554,316,698**	5,018,795,599
Equity			
Stated capital	28	**400,000,000**	400,000,000
Retained earnings	29	**486,387,853**	439,369,978
Credit risk reserve	5	**84,864,097**	-
Statutory reserve	29	**395,856,873**	351,896,216
Total equity		**1,367,108,823**	1,191,266,194
Total liabilities and equity		**7,921,425,521**	6,210,061,793

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

Kweku Awotwi
Chairman

Uzoechina Molokwu
MD/CEO

Statement of Changes in Equity

(All amounts are expressed in Ghana cedis unless otherwise stated)

For the year ended 31 December 2023

	Stated capital	Retained earnings	Statutory reserve	Credit risk reserve	Fair value reserve	Total
At 1 January 2023	**400,000,000**	**439,369,978**	**351,896,216**	**-**	**-**	**1,191,266,194**
Profit for the year	-	175,842,629	-	-	-	175,842,629
Total comprehensive income for the year	**-**	**175,842,629**	**-**	**-**	**-**	**175,842,629**
Transfer between reserves						
Transfer to statutory reserve	-	(43,960,657)	43,960,657	-	-	-
Transfer to/from credit risk reserve	-	(84,864,097)	-	84,864,097	-	-
Total transfer between reserves	**-**	**(128,824,754)**	**43,960,657**	**84,864,097**	**-**	**-**
Transactions with owners						
Total transactions with owners	-	-	-	-	-	-
At 31 December 2023	**400,000,000**	**486,387,853**	**395,856,873**	**84,864,097**	**-**	**1,367,108,823**

Statement of Changes in Equity (Continued)

(All amounts are expressed in Ghana cedis unless otherwise stated)

For the year ended 31 December 2022

	Stated capital	Retained earnings	Statutory reserve	Credit risk reserve	Fair value reserve	Total
At 1 January 2022	400,000,000	395,669,959	336,997,672	-	13,612	1,132,681,243
Profit for the year	-	59,594,174	-	-	-	59,594,174
Total comprehensive income for the year	-	59,594,174	-	-	-	59,594,174
Transfer between reserves						
Transfer to/from fair value reserve	-	13,612	-	-	(13,612)	-
Transfer to/from retained earnings	-	(1,009,223)	-	-	-	(1,009,223)
Transfer to statutory reserve	-	(14,898,544)	14,898,544	-	-	-
Total transfer between reserves	-	(15,894,155)	14,898,544	-	(13,612)	(1,009,223)
Transactions with owners						
Total transactions with owners	-	-	-	-	-	-
At 31 December 2022	400,000,000	439,369,978	351,896,216	-	-	1,191,266,194

The accompanying notes are an integral part of these financial statements

Statement of Cash Flows

(All amounts are expressed in Ghana cedis unless otherwise stated)

	Note	2023	2022
Cash flows from operating activities			
Profit before income tax		**275,970,374**	91,211,819
Adjustments for:			
Depreciation and amortisation	14	**15,448,805**	12,590,329
Allowance for credit loss on loans to customers	12	**122,466,227**	123,042,433
Allowance for credit loss on other assets	12	**15,321,211**	
Allowance/(reversal) of loss on contingent liabili-ties	12	**688,186**	2,223,315
Allowance for credit loss on investment securities	12	**245,619,966**	281,647,731
Recoveries on loans written off	12	**(19,786)**	(282,649)
Gain on disposal of property and equipment	11	**(37,936)**	(113,973)
Write-off of property and equipment	23	**-**	126,375
Foreign currency exchange difference on borrowings	23	**(7,927,306)**	(5,350,179)
Net interest income		**(774,679,595)**	(536,822,957)
		(107,149,854)	(31,727,756)
Change in operating assets and liabilities			
Change in mandatory reserve deposits		**(477,142,489)**	(66,075,326)
Change in loans and advances to customers		**280,099,655**	(634,929,342)
Change in other assets		**(1,177,707)**	224,367,161
Change in deposits from banks		**(72,940,071)**	13,890,484
Change in deposits from customers		**1,602,199,389**	660,753,258
Change in other liabilities		**491,943,113**	176,269,787
Interest received		**1,085,374,127**	798,611,363
Interest paid		**(308,809,905)**	(260,174,995)
Income tax paid	17	**(194,978,942)**	(98,620,775)
Net cash from operating activities		**2,297,417,316**	782,363,859
Cash flows from investing activities			
Purchase of investment securities		**(3,960,181,810)**	(3,779,202,782)
Proceeds from sale/redemption of investment securities		**2,442,627,769**	3,839,340,720
Purchase of property and equipment	23	**(15,975,505)**	(21,355,162)
Proceeds from sale of property and equipment	23	**46,489**	115,851
Purchase of intangible assets	24	**(595,209)**	(709,692)
Net cash used in investing activities		**(1,534,078,266)**	38,188,935
Cash flows from financing activities			
Finance cost on lease liabilities	27	**(1,884,627)**	(1,613,411)
Payments of principal on lease liabilities	27	**(9,227,030)**	(8,784,535)
Net cash used in financing activities		**(11,111,657)**	(10,397,946)
Net decrease in cash and cash equivalents		**752,227,393**	810,154,848
Foreign currency exchange differences	10	**7,927,306**	5,350,179
Cash and cash equivalents at 1 January	19	**1,855,756,294**	1,040,251,267
Cash and cash equivalents at 31 December	19	**2,615,910,993**	1,855,756,294

Notes

REPORTING ENTITY

United Bank for Africa (Ghana) Ltd ("the Bank") is a limited liability company and is incorporated and domiciled in Ghana. The registered office is Heritage Towers, Ambassadorial Enclave, Accra. The Bank operates under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The Bank is a subsidiary of United Bank for Africa Plc of Nigeria and provides retail, corporate banking and investment banking services.

The financial statements for the year ended 31 December 2023 were approved and authorised for issue by the Board of Directors on 27 March 2024.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The Bank's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial statements have been prepared under the historical cost convention, except for financial assets measured at fair value through other comprehensive income. Additional information required under the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) have been included, where appropriate.

The same accounting policies and methods of computation were followed in preparation of these financial statements as compared with the Bank's most recent annual financial statements.

The preparation of financial statements requires the directors to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, incomes and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

2.2 Foreign currency translation

(a) 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, which is the Bank's functional currency.

(b) Transactions and balances

Foreign currency transactions are recorded at the rate of exchange on the date of the transaction. At the reporting date, monetary assets and liabilities denominated in foreign currencies are reported using the closing exchange rate. Exchange differences arising on the settlement of transactions at rates different from those at the date of the transaction, as well as unrealised foreign exchange differences on unsettled foreign currency monetary assets and liabilities, are recognised in the income statement. The Ghana Interbank Exchange rates are used to translate foreign currency items into the functional currency.

Unrealised exchange differences on non-monetary financial assets are a component of the change in their entire fair value. For non-monetary financial assets measured at fair value through profit or loss, unrealised exchange differences are recognised in profit or loss. For non-monetary financial assets measured at fair value through other comprehensive income, unrealised exchange differences are recorded in other comprehensive income until the asset is sold or becomes impaired.

2.3 Sale and repurchase agreements

Securities sold subject to repurchase agreements ('repos') are reclassified in the financial statements as pledged assets when the transferee has the right by contract or custom to sell or repledge the collateral; the counterparty liability is included in due to other banks or customer deposits, as appropriate. Securities purchased under agreements to resell ('reverse repos') are recorded as loans and advances to customers or due from other banks, as appropriate. The difference between sale and repurchase price is treated as interest and accrued over the life of the agreements using the effective interest method. Securities lent to counterparties are also retained in the financial statements.

2.4 Property and equipment

Items of property and equipment are carried at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Subsequent expenditures are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably. The carrying amount of the replaced part is

2. Summary of significant accounting policies (continued)
2.4 Property and equipment (continued)

derecognised. All other repair and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

Right - of – use assets are presented together with property and equipment in the statement of financial position – refer to accounting policy in Note 2.19. Right – of – use assets are depreciated on a straight – line basis over the lease term.

Depreciation of owned assets is calculated on a straight – line basis over the estimated useful life of the assets as follows;

Building	50 years
Leasehold improvement	Over the period of lease
Computers	5 years
Motor vehicles	4 years
Equipment, furniture and fittings	5 years

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in other operating income/expenses in profit or loss.

Capital work-in-progress (CWIP)

These are costs in respect of property, plant and equipment and other construction work-in-progress that will eventually be capitalised. Amounts paid or accrued either in a lump sum or on an instalment basis related to the construction, alteration, or renovation of premises, installations, and equipment (including special equipment such as computers) that are not yet functional or in use are accumulated in capital work-in-progress sub-accounts that are reported in the appropriate fixed asset accounts. Payments made for capital work-in-progress projects that will eventually be expensed are expensed as incurred.

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

An item of property and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

2.5 Intangible assets

Intangible assets comprise computer software licences and other intangible assets. Intangible assets are recognised at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with a definite useful life are amortised using the straight-line method over their estimated useful economic life, generally not exceeding four (4) years. Intangible assets with an indefinite useful life are not amortised. Generally, the identified intangible assets of the Bank have a definite 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.

Intangible assets with indefinite useful life are annually tested for impairment and whenever there is an indication that the asset may be impaired.

2.6 Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). The impairment test also can be performed on a single asset when the fair value less cost to sell or the value in use can be determined reliably. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2. Summary of significant accounting policies (continued)

2.7 Growth and Sustainability Levy

The Growth and Sustainability Levy is assessed under the Growth and Sustainability Levy Act, 2023 (Act 1095) at 5% on profit before tax and became effective on 1 May,2023. The levy is not tax deductible and it is accounted for on accrual basis.

2.8 Income tax

Current income tax

The tax expense for the period comprises current and deferred income tax. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Bank and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.9 Employee benefits

a. Defined Contribution Plans

The Bank operates a defined contribution pension scheme. A defined contribution plan is a pension plan under which the Bank makes fixed contributions on contractual basis. The Bank has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

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

b. Termination benefits

The Bank recognises termination benefits as an expense when the Bank is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. The Bank settles termination benefits within 12 months and are accounted for as short- term benefits.

c. Short-term employee benefits

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

A liability is recognised for the amount expected to be paid under short-term employee benefits if the Bank has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.10 Provisions

Provisions are recognised when: The Bank has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class 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 the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and

2. Summary of significant accounting policies (continued)

2.10 Provisions (continued)

the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.11 Stated capital

a. Ordinary shares

Ordinary shares are classified as ''Stated capital" in equity.

b. Dividends on ordinary shares

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Bank's shareholders. Dividends for the year that are declared after the reporting date are dealt with in the subsequent events note.

2.12 Contingent liabilities

Letters of credit, acceptances, guarantees and performance bonds are generally written by the Bank to support performance by a customer to third parties. The Bank will only be required to meet these obligations in the event of the customer's default. These obligations are accounted for as off balance sheet transactions and disclosed as contingent liabilities; credit risk, liquidity risk, market risk-comprising currency, interest rate and other price risk.

2.13 Cash and cash equivalents

Cash and cash equivalents comprise balances with less than three months' maturity at the date of acquisition, including cash in hand, deposits held at call with other Banks, and other short term highly liquid investments with original maturities of three months or less.

2.14 Interest income and expense

Interest income and expense for all interest-bearing financial instruments are recognised 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 the 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 Bank estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees 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.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

2.15 Fees and commissions

The Bank earns fee and commission income from a diverse range of financial services it provides to its customers. Fee and commission income is recognised at an amount that reflects the consideration to which the Bank expects to be entitled in exchange for providing the services. The performance obligations, as well as the timing of their satisfaction, are identified, and determined, at the inception of the contract. The Bank's revenue contracts do not include multiple performance obligations. When the Bank provides a service to its customers, consideration is invoiced and generally due immediately upon satisfaction of a service provided at a point in time or at the end of the contract period for a service provided over time. The Bank has generally concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.

2.16 Net trading and revaluation income

Net trading income and revaluation income comprises gains less losses related to trading assets and liabilities, and includes all realised and unrealised fair value changes and foreign exchange differences.

2.17 Earnings per share

The Bank presents basic earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

2.18 Financial Instruments

(i) Classification and measurement of financial assets

Financial assets are recognised in the Bank's balance sheet when the Bank becomes a party to the contractual provisions of the instrument. Financial assets are measured at initial recognition at fair value, and are classified and subsequently measured at fair value through profit or loss (FVTPL), fair value through other comprehensive income (FVOCI) or amortised cost. Subsequent classification and measurement for debt securities is based on the Bank's business model for managing the financial instruments and the contractual cash flow characteristics of the instruments.

Debt instruments are measured at amortised cost if both of the following conditions are met and the asset

2. Summary of significant accounting policies (continued)

2.18 Financial Instruments (continued)

is not designated as FVTPL:

(a) the asset is held within a business model that is Held-to-Collect (HTC) as described below, and

(b) the contractual terms of the instrument give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

Debt instruments are measured at FVOCI if both of the following conditions are met and the asset is not designated as FVTPL:

(a) the asset is held within a business model that is Held-to-Collect-and-Sell (HTC&S) as described below, and

(b) the contractual terms of the instrument give rise, on specified dates, to cash flows that are SPPI.

(ii) Business model assessment

The Bank determines the business models at the level that best reflects how portfolios of financial assets are managed to achieve the Bank's business objectives. Judgment is used in determining the business models, which is supported by relevant, objective evidence including:

- How the economic activities of our businesses generate benefits, for example through trading revenue, enhancing yields or other costs and how such economic activities are evaluated and reported to key management personnel;
- The significant risks affecting the performance of our businesses, for example, market risk, credit risk, or other risks and the activities undertaken to manage those risks; and
- Historical and future expectations of sales of the loans or securities portfolios managed as part of a business model.
- The Bank's business models fall into three categories, which are indicative of the key strategies used to generate returns:
- Hold-to-Collect (HTC): The objective of this business model is to hold loans and securities to collect contractual principal and interest cash flows. Sales are incidental to this objective and are expected to be insignificant or infrequent.
- Hold-to-Collect-and-Sell (HTC&S): Both collecting contractual cash flows and sales are integral to achieving the objective of the business model.

Other fair value business models: These business models are neither HTC nor HTC&S, and primarily represent business models where assets are held-for-trading or managed on a fair value basis.

(iii) SPPI Assessment

Instruments held within a HTC or HTC&S business model are assessed to evaluate if their contractual cash flows are comprised of solely payments of principal and interest. SPPI payments are those which would typically be expected from basic lending arrangements. Principal amounts include par repayments from lending and financing arrangements, and interest primarily relates to basic lending returns, including compensation for credit risk and the time value of money associated with the principal amount outstanding over a period of time. Interest can also include other basic lending risks and costs (for example, liquidity risk, servicing or administrative costs) associated with holding the financial asset for a period of time, and a profit margin.

Where the contractual terms introduce exposure to risk or variability of cash flows that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

(iv) Investment Securities

Investment securities include all securities classified as FVOCI and amortised cost. All investment securities are initially recorded at fair value and subsequently measured according to the respective classification

Investment securities carried at amortised cost are measured using the effective interest method, and are presented net of any allowance for credit losses, calculated in accordance with the Bank's policy for allowance for credit losses, as described below. Interest income, including the amortization of premiums and discounts on securities measured at amortised cost are recorded in interest income. Impairment gains or losses recognised on amortised cost securities are recorded in Allowance for credit losses. When a debt instrument measured at amortised cost is sold, the difference between the sale proceeds and the amortised cost of the security at the time of the sale is recorded as a gain/(loss) on Investment securities in Net trading and revaluation income.

Debt securities carried at FVOCI are measured at fair value with unrealised gains and losses arising from changes in fair value included in fair value reserve. Impairment gains and losses are included in allowance for credit losses and correspondingly reduce the accumulated changes in fair value included in fair value reserve. When a debt instrument measured at FVOCI is sold, the cumulative gain or loss is reclassified from fair value reserve to net gain/(loss) on Investment securities in net trading and revaluation income.

(v) Loans

Loans are debt instruments recognised initially at fair value and are subsequently measured in accordance with the classification of financial assets policy provided above. Loans are carried at amortised cost using the effective interest method, which represents the gross

2. Changes in accounting policies and disclosures (continued)
2.18 Financial Instruments (continued)

carrying amount less allowance for credit losses.

Interest on loans is recognised in interest income using the effective interest method. The estimated future cash flows used in this calculation include those determined by the contractual term of the asset and all fees that are considered to be integral to the effective interest rate. Also included in this amount are transaction costs and all other premiums or discounts. Fees that relate to activities such as originating, restructuring or renegotiating loans are deferred and recognised as Interest income over the expected term of such loans using the effective interest method. Where there is a reasonable expectation that a loan will be originated, commitment and standby fees are also recognised as interest income over the expected term of the resulting loans using the effective interest method. Otherwise, such fees are recorded as other liabilities and amortised into Other operating income over the commitment or standby period.

Impairment losses on loans are recognised at each balance sheet date in accordance with the three-stage impairment model outlined below.

(vi) Allowance for credit losses

An allowance for credit losses (ACL) is established for all financial assets, except for financial assets classified or designated as FVTPL and equity securities designated as FVOCI, which are not subject to impairment assessment. Assets subject to impairment assessment include loans, overdrafts and debt securities. These are carried at amortised cost and presented net of ACL on the Statement of Financial Position. ACL on loans is presented in Allowance for credit losses - loans and advances. ACL on debt securities measured at FVOCI is presented in Fair value reserve in equity. Off-balance sheet items subject to impairment assessment include financial guarantees and undrawn loan commitments. For all other off-balance sheet products subject to impairment assessment, ACL is separately calculated and included in Other Liabilities – Provisions.

The ACL is measured 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:

1) Performing financial assets:

- Stage 1 – From initial recognition of a financial asset to the reporting date, where the asset has not experienced a significant increase in credit risk relative to its initial recognition, a loss allowance is recognised equal to the credit losses expected to result from defaults occurring over the 12 months following the reporting date. Interest income is calculated on the gross carrying amount of these financial assets.
- Stage 2 – Following a significant increase in credit risk relative to the initial recognition of the financial asset, a loss allowance is recognised equal to the credit losses expected over the remaining lifetime of the asset. Interest income is calculated on the gross carrying amount of these financial assets.

2) Impaired financial assets

- Stage 3 – When a financial asset is considered to be credit-impaired, a loss allowance is recognised equal to credit losses expected over the remaining lifetime of the asset. The Stage 3 expected credit loss impairment model is based on changes in credit quality since initial recognition. Interest revenue is calculated based on the carrying amount of the asset, net of the loss allowance, rather than on its gross carrying amount.

The ACL is a discounted probability-weighted estimate of the cash shortfalls expected to result from defaults over the relevant time horizon. For loan commitments, credit loss estimates consider the portion of the commitment that is expected to be drawn over the relevant time period. For financial guarantees, credit loss estimates are based on the expected payments required under the guarantee contract. Increases or decreases in the required ACL attributable to purchases and new originations, derecognitions or maturities, and re-measurements due to changes in loss expectations or stage migrations are recorded in provision for credit losses. Write-offs and recoveries of amounts previously written off are recorded against ACL.

The ACL represents an unbiased estimate of expected credit losses on our financial assets as at the balance sheet date. Judgment is required in making assumptions and estimations when calculating the ACL, including movements between the three stages and the application of forward looking information. The underlying assumptions and estimates may result in changes to the provisions from period to period that significantly affect our results of operations.

(vii) Measurement of expected credit losses

Expected credit losses are based on a range of possible outcomes and consider all available reasonable and supportable information including internal and external ratings, historical credit loss experience, and expectations about future cash flows. The measurement of expected credit losses is based primarily on the product of the instrument's probability of default (PD), loss given default (LGD) and exposure at default (EAD) discounted to the reporting date. Stage 1 estimates project PD, LGD and EAD over a maximum period of 12 months while Stage 2 estimates project PD, LGD and EAD over the remaining lifetime of the instrument.

An expected credit loss estimate is produced for each

2. Changes in accounting policies and disclosures (continued)
2.18 Financial Instruments (continued)

individual exposure. Relevant parameters are modelled on a collective basis using portfolio segmentation that allows for appropriate incorporation of forward looking information. Expected credit losses are discounted to the reporting period date using the effective interest rate.

The assessment of significant increase in credit risk requires significant judgment. The Bank's process to assess changes in credit risk is based on the use 'backstop' indicators. Instruments which are more than 30 days past due may be credit-impaired. There is a rebuttable presumption that the credit risk has increased significantly if contractual payments are more than 30 days past due; this presumption is applied unless the bank has reasonable and supportable information demonstrating that the credit risk has not increased significantly since initial recognition. There were no changes in estimation techniques or significant assumptions in the ECL computation from the previous year.

(viii) Assessment of significant increase in credit risk

In addition, the Bank also considers the following conditions in assessing a significant increase in credit risk especially for corporate loans and advances:

i. Inadequate or unreliable financials and other information such as unavailability of audited financial statements.
ii. A downgrade of a borrower by a recognised credit rating agency.
iii. Non-cooperation of the borrower in matters pertaining to documentation.
iv. Borrower is the subject of litigation by third parties that may have a significant impact on his financial position.
v. Frequent changes in senior management of the obligor.
vi. Intra-group transfer of funds without underlying transactions.
vii. Deferment/delay in the date of commencement if commercial operations by more than one year.
viii. Modification of terms resulting in concessions granted to the borrower including extension of moratorium, deferment of payment, waiver of covenants etc.
ix. Expectation of forbearance or restructuring due to financial difficulties.

The following are however considered as exceptions:

1. Outstanding obligation is a result of an amount being disputed between the bank and obligor where the dispute is not more than 90 days.
2. Outstanding obligation is an insignificant amount compared to the total amount due. Any amount not more than 10% is considered insignificant. Only applicable where there is no significant increase in credit risk and analysed on a case by case basis.

The assessment is generally performed at the instrument level and it is performed at least on quarterly basis. If any of the factors above indicate that a significant increase in credit risk has occurred, the instrument is moved from Stage 1 to Stage 2. The assessments for significant increases in credit risk since initial recognition and credit-impairment are performed independently as at each reporting period. Assets can move in both directions through the stages of the impairment model. After a financial asset has migrated to Stage 2, if it is no longer considered that credit risk has significantly increased relative to initial recognition in a subsequent reporting period, it will move back to Stage 1 after 90 days.

Similarly, an asset that is in Stage 3 will move back to Stage 2 if it is no longer considered to be credit-impaired after 90 days. An asset will not move back from stage 3 to stage 1 until after a minimum of 180 days, if it is no longer considered to be credit impaired.

For certain instruments with low credit risk as at the reporting date, it is presumed that credit risk has not increased significantly relative to initial recognition. Credit risk is considered to be low if the instrument has a low risk of default, and the borrower has the ability to fulfill their contractual obligations both in the near term and in the longer term, including periods of adverse changes in the economic or business environment.

(ix) Use of forward looking information

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

The PD, LGD and EAD inputs used to estimate Stage 1 and Stage 2 credit loss allowances are modelled based on the macroeconomic variables (or changes in macroeconomic variables) that are most closely correlated with credit losses in the relevant portfolio. Each macroeconomic scenario used in our expected credit loss calculation includes a projection of all relevant macroeconomic variables applying scenario weights. Macroeconomic variables used in our expected credit loss models include GDP growth rate, interbank rates, inflation rate and population growth rate.

Our estimation of expected credit losses in Stage 1 and Stage 2 is a discounted probability-weighted estimate that considers a minimum of three future macroeconomic scenarios. Our base case scenario is based on macroeconomic forecasts published by relevant government agencies. Upside and downside scenarios vary relative to our base case scenario based on reasonably possible alternative macroeconomic conditions. Additional and more severe downside scenarios are designed to capture material non-linearity of potential credit losses in portfolios. Scenario design, including the identification of additional downside scenarios, occurs at least on an annual basis and more frequently if conditions warrant.

Scenarios are designed to capture a wide range of possible outcomes and weighted according to our best estimate of the relative likelihood of the range of outcomes that each scenario represents. Scenario weights take into account historical frequency, current trends, and forward-looking conditions and are updated on a quarterly basis. All scenarios considered are applied to all portfolios subject to expected credit losses with the same probabilities.

The inputs and models used for calculating ECL may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material. Detailed information about these inputs and sensitivity analysis are provided in Note 6.1.

(x) Definition of default

A default is considered to have occurred with regard to a particular obligor when either or both of the following events have taken place.

- The bank considers that the obligor is unlikely to pay its credit obligations in full, without recourse by the bank to actions such as realizing security (if held).
- The obligor is past due more than 90 days on any material credit obligation to the bank (principal or interest). Overdrafts will be considered as being past due once the customer has breached an advised limit or been advised of a limit smaller than current outstanding.
- Interest payments equal to 90 days or more have been capitalised, rescheduled, rolled over into a new loan (except where facilities have been reclassified).

The elements to be taken as indications of unlikeliness to pay include:

- The bank sells the credit obligation at a material credit-related economic loss.

- The bank consents to a distressed restructuring of the credit obligation where this is likely to result in a diminished financial obligation caused by the material forgiveness, or postponement, of principal, interest or (where relevant) fees.

- The bank has filed for the obligor's bankruptcy or a similar order in respect of the obligor's credit obligation to the banking group.

The following are considered as exceptions:

a. Outstanding obligation is a result of an amount being disputed between the bank and obligor where the dispute is not more than 150 days;

b. In the case of specialised loans, default is defined as where the obligor is past due more than 180 days on any material credit obligation to the bank (principal or interest). In addition, it is consistent with the Bank's historical default pattern on this category of loans. The specialised loans to which this is applicable are Project Financing, Object Financing, Income Producing Real Estate, Commercial Real Estate and Mortgage Loans;

c. Outstanding obligation is an insignificant amount compared to the total amount due. Any amount not more than 10% of amount due is considered insignificant. Only applicable where there is no significant increase in credit risk and analysed on a case by case basis.

d. Exposure is still in default due to a new debit when the initial debit has been cleared. Usually occurs when the debit that initiated the initial days past due has been paid but the days past due continues to reflect a debit.

(xi) Credit-impaired financial assets (Stage 3)

Financial assets are assessed for credit-impairment at each balance sheet date and more frequently when circumstances warrant further assessment. Evidence of credit-impairment may include indications that the borrower is experiencing significant financial difficulty, probability of bankruptcy or other financial reorganization, as well as a measurable decrease in the estimated future cash flows evidenced by the adverse changes in the payments status of the borrower or economic conditions that correlate with defaults. A loan is considered for transfer from stage 2 to stage 1 where there is significant improvement in credit risk and from stage 3 to stage 2 (declassified) where the facility is no longer in default. Factors that are considered in such backward transitioning include the following:

i) Declassification of the exposure by all the licensed private credit bureau or the credit risk management system;

ii) Improvement of relevant credit risk drivers for an individual obligor (or pool of obligors);

iii) Evidence of full repayment of principal or interest.

Generally, the above are to represent an improvement in credit risk to warrant consideration for a backward transition of loans. Where there is evidence of significant reduction in credit risk, the following probationary periods should apply before a loan may be moved to a lower stage (indicating lower risk):

Transfer from Stage 2 to 1: - 90 days
Transfer from Stage 3 to 2: - 90 days
Transfer from Stage 3 to Stage 1: - 180 days

When a financial asset has been identified as credit-impaired, expected credit losses are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the instrument's original effective interest rate. For impaired financial assets with drawn and undrawn components, expected credit losses also reflect any credit losses related to the portion of the loan commitment that is expected to be drawn down over the remaining life of the instrument.

When a financial asset is credit-impaired, interest ceases to be recognised on the regular accrual basis, which accrues income based on the gross carrying amount of the asset. Rather, interest income is calculated by applying the original effective interest rate to the amortised cost of the asset, which is the gross carrying amount less the related ACL.

(xii) Write-off

Loans and debt securities are written off when the Bank has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Bank 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. A write-off constitutes a derecognition event. The Bank may apply enforcement activities to financial assets written off. Recoveries resulting from the Bank's enforcement activities will result in impairment gains."

(xiii) Presentation of allowance for Expected Credit Loss in the Statement of Financial Position

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

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- for debt instruments measured at FVTOCI: no loss allowance is recognised in the statement of financial position as the carrying amount is at fair value. However, the loss allowance is included as part of the revaluation amount in the investments revaluation reserve;
- for loan commitments and financial guarantee contracts: as a provision; and
- where a financial instrument includes both a drawn and an undrawn component, and the Bank 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.

Debt and equity instruments that are issued are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Bank or a contract that will or may be settled in the Bank's own equity instruments and is a non-derivative contract for which the Bank is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Bank's own equity instruments.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Bank are recognised at the proceeds received, net of direct issue costs. Repurchase of the Bank's own equity instruments is recognised and deducted directly in equity. No gain/loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Bank's own equity instruments.

(xiv) Financial Liabilities and Equity

The Bank recognises financial liabilities when it first becomes a party to the contractual rights and obligations in the relevant contracts.

Financial liabilities are either classified as financial liabilities at amortised cost or financial liabilities at FVTPL.

The Bank classifies its financial liabilities as measured at amortised cost, except for:

i. Financial liabilities at FVTPL: this classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in the trading booking) and other financial liabilities designated as such at initial recognition. Gains or losses from financial liabilities designated at fair value through profit or loss are presented partially in other comprehensive income (the amount of change in the fair value of the financial

2. Summary of significant accounting policies (continued)
2.18 Financial Instruments (continued)

liability that is attributable to changes in the Bank's own credit risk, which is determined as the amount that is not attributable to changes in market conditions that give rise to market risk) and partially profit or loss (the remaining amount of change in the fair value of the liability). This is unless such a presentation would create, or enlarge, an accounting mismatch, in which case the gains and losses attributable to changes in the Bank's credit risk are also presented in profit or loss;

ii. Financial guarantee contracts and commitments.

Other financial liabilities (not measured at FVTPL), including deposits and borrowings, are initially measured at fair value, net of transaction costs and subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The EIR is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Bank derecognises financial liabilities when, and only when, the Bank's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Bank exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Bank accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability.

(xv) Reclassification of financial assets

Financial assets are reclassified when and only when the 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.

(xvi) Modification and derecognition of financial assets and liabilities

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date.

In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cashflows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The Bank renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms.

The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

When a financial asset is modified the Bank assesses whether this modification results in derecognition. In accordance with the Bank's policy a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Bank considers the following:

- Qualitative factors, such as contractual cash flows after modification are no longer SPPI, change in currency or change of counterparty, the extent of change in interest rates, maturity, covenants. If these do not clearly indicate a substantial modification, then;
- A quantitative assessment is performed to compare the present value of the remaining contractual cash flows under the original terms with the contractual cash flows under the revised terms, both amounts discounted at the original effective interest.

In the case where the financial asset is derecognised the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition.

The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification.

The Bank monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms. When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Bank determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

- the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms; with
- the remaining lifetime PD at the reporting date based on the modified terms.

For financial assets modified as part of the Bank's forbearance policy, where modification did not result in derecognition, the estimate of PD reflects the Bank's ability to collect the modified cash flows taking into account the Bank's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms.

If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition the Bank calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Bank measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset. The Bank derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity.

If the Bank neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Bank recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Bank retains substantially all the risks and rewards of ownership of a transferred financial asset, the Bank continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Bank retains an option to repurchase part of a transferred asset), the Bank allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer.

The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain/loss allocated to it that had been recognised in OCI is recognised in profit or loss. A cumulative gain/loss that had been recognised in OCI is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts. This does not apply for equity investments designated as measured at FVTOCI, as the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss.

(xvii) Financial Guarantee Contracts

A financial guarantee contract is a contract that requires 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.

Financial guarantee contracts issued by the Bank are initially measured at their fair values and, if not designated as at FVTPL and not arising from a transfer of a financial asset, are subsequently measured at the

2. Summary of significant accounting policies (continued)
2.18 Financial Instruments (continued)

higher of:

- the amount of the loss allowance determined in accordance with IFRS 9; and
- the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the Bank's revenue recognition policies.

Financial guarantee contracts not designated at FVTPL are presented as provisions on the consolidated statement of financial position and the re-measurement is presented in other revenue. The Bank has not designated any financial guarantee contracts as at FVTPL.

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with IFRS 9; and
- the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the revenue recognition policies.

(xviii) Commitments to provide a loan at below market interest rate

Commitments to provide a loan below market rate not designated at FVTPL are presented as provisions in the statement of financial position and the re-measurement is presented in other revenue.

The Bank has not designated any commitments to provide a loan below market rate designated at FVTPL.

2.19 Leases

The Bank assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) Bank as a Lessee

The Bank applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

The Bank recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Bank recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

The right-of-use assets are presented within Note 23 - Property, equipment and right-of-use assets and are subject to impairment in line with the Bank's policy as described in Note 2.6 - Impairment of non-financial assets.

Lease Liabilities

At the commencement date of the lease, the Bank recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (less any lease incentives receivable), variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Bank and payments of penalties for terminating the lease, if the lease term reflects exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

(ii) Bank as a Lessor

Leases in which the Bank does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

3. Changes in accounting policies and disclosures

(a) New standards, amendments and interpretations effective during the current financial year.

(i) Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements— Disclosure of Accounting Policies

The Bank has adopted the amendments to IAS 1 for the first time in the current year. The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably

3. Changes in accounting policies and disclosures (continued)

be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

(ii) Amendments to IAS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

The Bank has adopted the amendments to IAS 12 for the first time in the current year. The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting profit nor taxable profit.

Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

(iii) Amendments to IAS 12 Income Taxes— International Tax Reform—Pillar Two Model Rules

The Bank has adopted the amendments to IAS 12 for the first time in the current year. The IASB amends the scope of IAS 12 to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum top up taxes described in those rules.

The amendments introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

Following the amendments, the Bank is required to disclose that it has applied the exception and to disclose separately its current tax expense (income) related to Pillar Two income taxes.

(iv) Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates

The Bank has adopted the amendments to IAS 8 for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

(b) New and revised IFRS Standards in issue but not yet effective

At the date of authorisation of these financial statements, the Bank has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective

Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Bank in future periods, except if indicated below.

i. Amendments to IAS 1 Presentation of Financial Statements—Classification of Liabilities as Current or Non-current

The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or noncurrent in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2024, with early application permitted. The IASB has aligned the effective date with the 2022 amendments to IAS 1. If an entity applies the 2020 amendments for an earlier period, it is also required to apply the 2022 amendments early.

The directors of the Bank anticipate that the application of these amendments may have an impact on the financial statements in future periods.

ii. Amendments to IAS 1 Presentation of Financial Statements—Non-current Liabilities with Covenants

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or noncurrent). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

The amendments are applied retrospectively for annual reporting periods beginning on or after 1 January 2024. Earlier application of the amendments is permitted. If an entity applies the amendments for an earlier period, it is also required to apply the 2020 amendments early.

The directors of the Bank anticipate that the application of these amendments may have an impact on the financial statements in future periods.

iii. Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements

The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

The term 'supplier finance arrangements' is not defined. Instead, the amendments describe the characteristics of an arrangement for which an entity would be required to provide the information.

To meet the disclosure objective, an entity will be required to disclose in aggregate for its supplier finance arrangements.

- The terms and conditions of the arrangements
- The carrying amount, and associated line items presented in the entity's statement of financial position, of the liabilities that are part of the arrangements
- The carrying amount, and associated line items for which the suppliers have already received payment from the finance providers
- Ranges of payment due dates for both those financial liabilities that are part of a supplier finance arrangement and comparable trade payables that are not part of a supplier finance arrangement

iv. Amendment to IFRS 16 Leases—Lease Liability in a Sale and Leaseback

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.

The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date.

The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognised a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, `following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate.

As part of the amendments, the IASB amended an Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not

3. Changes in accounting policies and disclosures (continued)

depend on an index or rate. The illustrative examples also clarify that the liability, that arises from a sale and leaseback transaction that qualifies as a sale applying IFRS 15, is a lease liability.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted. If a seller-lessee applies the amendments for an earlier period, it is required to disclose that fact.

A seller-lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, which is defined as the beginning of the annual reporting period in which the entity first applied IFRS 16.

4. Financial risk management

The Bank's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the Bank's business, and the operational risks are an inevitable consequence of being in business. The Bank's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on its financial performance. The most important types of risk include; credit risk, liquidity risk and market risk-comprising currency, interest rate and other price risk.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board has established a Risk Management Committee in support of their risk oversight objectives and responsibilities. There is also a Risk Management Department which has responsibility for the implementation of the Bank's risk control principles, frameworks and processes across the entire risk spectrum.

The Bank's risk management policies are established to identify and analyse the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Bank, 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.

4.1 Credit Risk

Credit risk is the risk of financial loss to the Bank if a customer or counterparty to a financial instrument fails to fulfil its contractual obligations. Credit risk arises mainly from interbank, commercial and consumer loans and advances and loan commitments arising from such lending activities but can also arise from credit enhancements provided such as financial guarantees, letters of credits, endorsements and acceptances.

The Bank is also exposed other credit risks arising from investments in debt securities and exposures arising from its other trading activities including settlement balances with market counterparties and reverse purchase agreements.

Credit risk is the single largest risk for the Bank's business; Management therefore carefully manages its exposure to credit risk.

4.1.1 Credit Risk Management

The Board of Directors has delegated responsibility for the management of Credit risk to its Sub-Committee on Risk Management. A separate Credit Department, reporting to the Chief Risk Officer, is responsible for oversight of the Bank's credit risk, including:

- Formulating credit policies in consultation with business units, covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements..
- Establishing the authorisation structure for the approval and renewal of credit facilities. Authorisation limits are allocated to business units. Larger facilities require approval by the Board Committee on Risk Management.
- Reviewing and assessing credit risk. The Credit department assesses all credit exposures in excess of designated limits, prior to facilities being committed to customers by the business unit concerned. Renewals and reviews of facilities are subject to the same review process. Limiting concentrations of exposure to counterparties, and industries for loans and advances.
- Developing and maintaining the Bank's risk grading in order to categorise exposures according to the degree of risk of financial loss faced and to focus management's attention on the attendant risks. The responsibility for setting risk grades lies with the Board of Directors. Risk grades are subject to regular reviews by the Risk Management Division.

(i) Significant increase in credit risk

The Bank monitors all financial assets that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Bank will measure the loss allowance based on lifetime rather than 12-month ECL. Details of factors that will result in the significant increase in credit risk are disclosed in Note 2.18 (viii).

4.1.1 Credit Risk Management
(ii) Internal Credit Risk Rating (continued)

(ii) Internal Credit Risk Rating

In order to minimise credit risk, the Bank has tasked its credit management committee to develop and maintain the Bank's credit risk grading to categorise exposures according to their degree of risk of default. The Bank's credit risk grading framework comprises ten categories. The credit rating information is based on a range of data that is determined to be predictive of the risk of default and applying experienced credit judgement.

The nature of the exposure and type of borrower are taken into account in the analysis. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default.

The Bank's risk rating buckets and definitions are as follows:

Grade	Description	Rating	Rating bucket	Risk range	Risk range (description)
1	Extremely low risk	Low to fair risk	AAA	90% - 100%	Low risk range
2	Very low risk		AA	80% - 89%	
3	Low risk		A	70% - 79%	
4	Acceptable risk	Monitoring	BBB	60% - 69%	Acceptable risk range
5	Moderately high risk		BB	50% - 59%	
6	High risk	Substandard	B	40% - 49%	High risk range
7	Very high risk		CCC	30% - 39%	
8	Extremely high risk		CC	0% - 29%	
9	High likelihood of default	Doubtful	C	Below 0%	Unacceptable risk range
10	Default	Impaired	D	Below 0%	

The risk ratings are a primary tool for the review and decision making in the credit process. The Bank does not lend on unsecured basis to obligors that are below investment grade (BB and above). The Bank will not lend to obligors in the unacceptable risk range.

The credit risk grades are designed and calibrated to reflect the risk of default as credit risk deteriorates. As the credit risk increases the difference in risk of default between grades changes. Each exposure is allocated to a credit risk grade at initial recognition, based on the available information about the counterparty.

All exposures are monitored and the credit risk grade is updated to reflect current information. The monitoring procedures followed are both general and tailored to the type of exposure.

The following data are typically used to monitor the Bank's exposures:

- Payment record, including payment ratios and ageing analysis;
- Extent of utilisation of granted limit;
- Forbearances (both requested and granted);
- Changes in business, financial and economic conditions;
- Credit rating information supplied by external rating agencies;
- For retail exposures: internally generated data of customer behaviour, affordability metrics etc.

The Bank uses credit risk grades as a primary input into the determination of the term structure of the PD for exposures. The Bank collects performance and default information about its credit risk exposures analysed by jurisdiction or region and by type of product and borrower as well as by credit risk grading. The information used is both internal and external depending on the portfolio assessed.

The Bank analyses all data collected using statistical models and estimates the remaining lifetime PD of exposures and how these are expected to change over time. The factors taken into account in this process include macro-economic data such as GDP growth, unemployment and benchmark interest rates.

The Bank generates a 'base case' scenario of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios. The Bank then uses these forecasts, which are probability-weighted, to adjust its estimates of PDs. The Bank uses different criteria to determine whether credit risk has increased significantly per portfolio of assets. The criteria used are both quantitative changes in PDs as well as qualitative.

Internal Credit Risk Rating

Irrespective of the outcome of the above assessment, the Bank presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due unless the Bank has reasonable and supportable information that demonstrates otherwise.

The Bank has monitoring procedures in place to make sure that the criteria used to identify significant increases in credit are effective, meaning that significant increase in credit risk is identified before the exposure is defaulted or when the asset becomes 30 days past due.

The Bank performs periodic back-testing of its ratings to consider whether the drivers of credit risk that led to default were accurately reflected in the rating in a timely manner.

Incorporation of forward looking information

The Bank uses forward-looking information that is available without undue cost or effort in its assessment of significant increase of credit risk as well as in its measurement of ECL. The Bank employs experts who use external and internal information to generate a 'base case' scenario of future forecast of relevant economic variables along with a representative range of other possible forecast scenarios.

The external information used includes economic data and forecasts published by governmental bodies and monetary authorities. The Bank applies probabilities to the forecast scenarios identified. The base case scenario is the single most-likely outcome and consists of information used by the Bank for strategic planning and budgeting.

The Bank has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using a statistical analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses. The Bank has not made changes in the estimation techniques or significant assumptions made during the reporting period.

Grouping of instruments for losses measured on a collective basis

For expected credit loss provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogeneous. In performing this grouping, there must be sufficient information for the group to be statistically credible. The grouping of financial instruments for assessment of credit loss provisions on a collective basis is based on the industry sectors of the exposures. Stage 2 and Stage 3 loans are however assessed individually.

Measurement of ECL

The key inputs used for measuring ECL are:

• probability of default (PD);

• loss given default (LGD); and

• exposure at default (EAD).

As explained above these figures are generally derived from internally developed models and other historical data and they are adjusted to reflect probability-weighted forward-looking information. PD is an estimate of the likelihood of default over a given time horizon. It is estimated as at a point in time.

The calculation is based on statistical rating models, and assessed using rating tools tailored to the various categories of counterparties and exposures. These statistical models are based on market data (where available), as well as internal data comprising both quantitative and qualitative factors. PDs are estimated considering the contractual maturities of exposures and estimated prepayment rates.

The estimation is based on current conditions, adjusted to take into account estimates of future conditions that will impact PD. LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from any collateral.

The LGD models for secured assets consider forecasts of future collateral valuation taking into account sale discounts, time to realisation of collateral, cross-collateralisation and seniority of claim, cost of realisation of collateral and cure rates (i.e. exit from non-performing status). LGD models for unsecured assets consider time of recovery, recovery rates and seniority of claims.

The calculation is on a discounted cash flow basis, where the cash flows are discounted by the original EIR of the loan. EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, and expected drawdowns on committed facilities.

The Bank's modelling approach for EAD reflects expected changes in the balance outstanding over the lifetime of the loan exposure that are permitted by the current contractual terms, such as amortisation profiles, early repayment or overpayment, changes in utilisation of undrawn commitments and credit mitigation actions taken before default.

4. Financial risk management (continued)

Measurement of ECL

The Bank uses EAD models that reflect the characteristics of the portfolios. The Bank measures ECL considering the risk of default over the maximum contractual period (including extension options) over which the entity is exposed to credit risk and not a longer period, even if contact extension or renewal is common business practice. However, for financial instruments such as credit cards, revolving credit facilities and overdraft facilities that include both a loan and an undrawn commitment component, the Bank's contractual ability to demand repayment and cancel the undrawn commitment does not limit the Bank's exposure to credit losses to the contractual notice period.

For such financial instruments the Bank measures ECL over the period that it is exposed to credit risk and ECL would not be mitigated by credit risk management actions, even if that period extends beyond the maximum contractual period. These financial instruments do not have a fixed term or repayment structure and have a short contractual cancellation period.

However, the Bank does not enforce in the normal day-to-day management the contractual right to cancel these financial instruments. This is because these financial instruments are managed on a collective basis and are cancelled only when the Bank becomes aware of an increase in credit risk at the facility level. This longer period is estimated taking into account the credit risk management actions that the Bank expects to take to mitigate ECL, e.g. reduction in limits or cancellation of the loan commitment.

4.1.2 Risk limit control and mitigation policies

The Bank manages, limits and controls concentrations of credit risk wherever they are identified - in particular, to individual counterparties and banks, and to industries and countries.

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

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

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

Some other specific control and mitigation measures are outlined below:

(a) Collateral

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

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

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

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

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

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

The Bank monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

4. Financial risk management (continued)

(All amounts are expressed in Ghana cedis unless otherwise stated)

4.1.3 Maximum exposure to credit risk before collateral held or other credit enhancements

The Bank's maximum exposure to credit risk is represented by the gross carrying amounts of the financial assets with the exception of financial and other guarantees issued by the Bank for which the maximum exposure to credit risk is represented by the maximum amount the Bank would have to pay if the guarantees are called on. The financial assets are categorised by the industry sectors of the Bank's counterparties.

Loans and advances to customers form 16.3% of the total maximum exposure (2022: 26.6%); 50.5% represents investments securities (2022: 42.1%) and 33.2% represent balances with banks, placements and other assets (2022: 33.2%).

The following table breaks down the Bank's credit exposure at carrying amounts (without taking into account any collateral held or other credit support), as categorised by the industry sectors of the Bank's counterparties

On balance sheet

At 31 December 2023	Loans and advances to customers	Cash and balances with Bank of Ghana	Due from other banks	Investment securities	Other financial assets	Total
Agriculture	1,440,802	-	-	-	-	1,440,802
Manufacturing	297,017,781	-	-	-	-	297,017,781
Commerce and Finance	404,455,942	1,560,204,435	1,055,706,558	4,222,145,317	160,411,252	7,402,923,504
Transport and communications	57,002,079	-	-	-	-	57,002,079
Building and construction	205,148	-	-	-	-	205,148
Services	107,378,962	-	-	-	-	107,378,962
Oil and Gas	238,780,635	-	-	-	-	238,780,635
Education	3,362,815	-	-	-	-	3,362,815
Miscellaneous	250,402,612	-	-	-	-	250,402,612
Total	**1,360,046,776**	**1,560,204,435**	**1,055,706,558**	**4,222,145,317**	**160,411,252**	**8,358,514,338**
Allowance for credit losses	(217,903,993)	-	-	(511,302,317)	(15,321,211)	(744,527,521)
Net carrying amount	**1,142,142,783**	**1,560,204,435**	**1,055,706,558**	**3,710,843,000**	**145,090,041**	**7,613,986,817**

(All amounts are expressed in Ghana cedis unless otherwise stated)

4. Financial risk management (continued)

4.1.3 Maximum exposure to credit risk before collateral held or other credit enhancements (continued)

On balance sheet

At 31 December 2022	Loans and advances to customers	Cash and balances with Bank of Ghana	Due from other banks	Investment securities	Other financial assets	Total
Agriculture	1,447,925	-	-	-	-	1,447,925
Manufacturing	369,595,117	-	-	-	-	369,595,117
Commerce and Finance	616,996,578	885,907,726	882,108,509	2,720,970,467	250,342,754	5,356,326,034
Transport and communications	30,487,481	-	-	-	-	30,487,481
Building and construction	670,840	-	-	-	-	670,840
Services	92,546,678	-	-	-	-	92,546,678
Oil and Gas	285,924,122	-	-	-	-	285,924,122
Education	3,631,060	-	-	-	-	3,631,060
Miscellaneous	314,910,677	-	-	-	-	314,910,677
Total	**1,716,210,478**	**885,907,726**	**882,108,509**	**2,720,970,467**	**250,342,754**	**6,455,539,934**
Allowance for credit losses	(171,521,599)	-	-	(282,061,542)	-	(453,583,141)
Net carrying amount	**1,544,688,879**	**885,907,726**	**882,108,509**	**2,438,908,925**	**250,342,754**	**6,001,956,793**

(All amounts are expressed in Ghana cedis unless otherwise stated)

4. Financial risk management (continued)

4.1.3 Maximum exposure to credit risk before collateral held or other credit enhancements (continued)

Off balance sheet

At 31 December 2023	Letters of credit	Letters of guarantee	Loan commitments	Total
Agriculture	-	-	-	-
Manufacturing	3,597,362.84	-	8,225	3,605,588
Commerce and Finance	32,059,470	2,978,040	13,394,475	48,431,985
Transport and communications	-	206,549,099	-	206,549,099
Building and construction	-	1,204,037,598	-	1,204,037,598
Services	994,950	-	2,776,373	3,771,323
Oil and Gas	80,601,903	2,385,766	663,320	83,650,989
Power	-	-	-	-
Minning and quarrying	-	-	-	-
Miscellaneous	-	71,629,887	256,211	71,886,098
Total	**117,253,686**	**1,487,580,390**	**17,098,604**	**1,621,932,680**
Allowance for credit losses	-	(2,362,730)	-	(2,362,730)
Net carrying amount	**117,253,686**	**1,485,217,660**	**17,098,604**	**1,619,569,950**

(All amounts are expressed in Ghana cedis unless otherwise stated)

4. Financial risk management (continued)

4.1.3 Maximum exposure to credit risk before collateral held or other credit enhancements (continued)

Off balance sheet

At 31 December 2022	Letters of credit	Letters of guarantee	Loan commitments	Total
Agriculture	-	-	-	-
Manufacturing	-	-	2,724,092	2,724,092
Commerce and Finance	289,385,126	4,299,616	71,675,516	365,360,258
Transport and communications	-	52,668,572	-	52,668,572
Building and construction	-	587,514,172	324,016	587,838,188
Services	207,179	133,148,556	407,719	133,763,454
Oil and Gas	36,170,125	28,378,218	-	64,548,343
Power	-	4,830,487	-	4,830,487
Mining and quarrying	-	-	-	-
Miscellaneous	-	-	368,209	368,209
Total	**325,762,430**	**810,839,621**	**75,499,552**	**1,212,101,603**
Allowance for credit losses	-	(1,674,544)	-	(1,674,544)
Net carrying amount	**325,762,430**	**809,165,077**	**75,499,552**	**1,210,427,059**

4.1.4 Credit Quality

The Bank manages the credit quality of its financial assets using internal credit ratings. It is the Bank's policy to maintain accurate and consistent risk ratings across the credit portfolio. This facilitates focused management of the applicable risks and the comparison of credit exposures across all lines of business, geographic regions and products. The rating system is supported by a variety of financial analytics, combined with processed market information to provide the main inputs for the measurement of counterparty risk. All internal risk ratings are tailored to the various categories and are derived in accordance with the Bank's rating policy. The attributable risk ratings are assessed and updated regularly.

The credit quality of the Bank's loans and advances are categorised as follows:

Stage 1 Loans and Advances

These are loans and advances that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk (where the optional simplification is applied) at the reporting date. They are considered ''performing'' credits and are rated 1 in the Bank's internal credit risk grading system.

Stage 2 Loans and Advances

These are loans and advances that have deteriorated significantly in credit quality since initial recognition but do not have objective evidence of a credit loss event. These are considered ''the Watch list credit'' in the Bank's internal credit risk grading system and are rated 2.

Stage 3 Loans and Advances

These are loans and advances that have objective evidence of a credit loss event. Stage 3 allocation is driven by either the identification of credit impairment or an exposure being classified as defaulted. These loans are considered "non-performing" in the Bank's internal credit risk grading system and are rated 3 or 4.

Loans with renegotiated terms

The contractual terms of a loan may be modified for a number of reasons including changing market conditions, customer retention and other factors not related to a current or potential credit deterioration of the customer. The Bank renegotiates loans to customers to maximise collection opportunities and minimise the risk of default. The revised terms of renegotiated facilities usually include extended maturity, changing timing of interest payments and amendments to the terms of the loan agreement. As at 31 December 2023, there were no loans with renegotiated terms (December 2022: nil).

Impairment assessment

The measurement of expected credit losses is based on the product of the instrument's probability of default (PD), loss given default (LGD), and exposure at default (EAD), discounted to the reporting date using the effective interest rate.

The ECL model has three stages. The Bank recognises a 12-month expected loss allowance on initial recognition (stage 1) and a lifetime expected loss allowance when there has been a significant increase in credit risk since initial recognition (stage 2). Stage 3 requires objective evidence that an asset is credit-impaired and then a lifetime expected loss allowance is recognised.

Write-off policy

The Bank writes off a loan / security balance (and any related allowances for impairment losses) when the Credit department 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.

For smaller balance standardised loans, charge off decisions generally are based on a product specific past due status. Loan write off requires approval of the Board of Directors and the Bank of Ghana. During the year 2023, a total of GHS 12,784,205 was written off Loans and Advances.

Credit Risk Exposure

An analysis of the Bank's credit risk exposure per class of financial asset, internal rating and "stage" without taking into account the effects of any collateral or other credit enhancements is provided in the following tables. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts. For loan commitments and financial guarantee contracts, the amounts in the table represent the amounts committed or guaranteed, respectively.

Notes to Financial Statements

4. Financial risk management (continued)

4.1.4 Credit Quality (continued)

Impairment assessment under IFRS 9 (continued)

Loans and advances to customers at amortised cost	**Stage 1**	**Stage 2**	**Stage 3**		**Total**
31 December 2023	**12-month ECL**	**Lifetime ECL**	**Lifetime ECL**	**Purchased credit-impaired**	
Grades 1-3: Low to fair risk	875,272,868	-	-	.-	875,272,868
Grades 4-5: Monitoring	-	149,397,394	-	-	149,397,394
Grades 6-8 : Substandard	-	-	3,332,028	-	3,332,028
Grade 9 : Doubtful	-	-	110,185,312	-	110,185,312
Grades 9-10 : Impaired	-	-	221,859,174	-	221,859,174
Gross carrying amount	**875,272,868**	**149,397,394**	**335,376,514**	**-**	**1,360,046,776**
Loss allowance	(25,856,942)	(378,017)	(191,669,034)	-	(217,903,993)
Carrying amount	**849,415,926**	**149,019,377**	**143,707,480**	**-**	**1,142,142,783**

	Stage 1	**Stage 2**	**Stage 3**		**Total**
31 December 2022	**12-month ECL**	**Lifetime ECL**	**Lifetime ECL**	**Purchased credit-impaired**	
Grades 1-3: Low to fair risk	1,445,829,967	-	-	-	1,445,829,967
Grades 4-5: Monitoring	-	-	-	-	-
Grades 6-8 : Substandard	-	104,682,380	-	-	104,682,380
Grade 9 : Doubtful	-	-	14,173,583	-	14,173,583
Grades 9-10 : Impaired	-	-	151,524,548	-	151,524,548
Gross carrying amount	1,445,829,967	104,682,380	165,698,131	**-**	1,716,210,478
Loss allowance	(22,332,879)	(49,172,235)	(100,016,485)	-	(171,521,599)
Carrying amount	**1,423,497,088**	**55,510,145**	**65,681,646**	**-**	**1,544,688,879**

4. Financial risk management (continued)

4.1.4 Credit Quality (continued)

Impairment assessment under IFRS 9 (continued)

Investment securities

	Stage 1	Stage 2	Stage 3		Total
31 December 2023	**12-month ECL**	**Lifetime ECL**	**Lifetime ECL**	**Purchased credit-impaired**	
Grades 1-3: Low to fair risk	118,800,000	-	4,103,345,317	-	4,224,145,317
Gross carrying amount	**118,800,000**	**-**	**4,103,345,317**	**-**	**4,222,145,317**
Loss allowance	(450,917)	-	(510,851,400)	-	(511,302,317)
Carrying amount	**118,349,083**	**-**	**3,592,493,917**	**-**	**3,710,843,000**

	Stage 1	Stage 2	Stage 3		Total
31 December 2022	**12-month ECL**	**Lifetime ECL**	**Lifetime ECL**	**Purchased credit-impaired**	
Grades 1-3: Low to fair risk	2,720,970,467	-	-	-	2,720,970,467
Gross carrying amount	**2,720,970,467**	**-**	**-**	**-**	**2,720,970,467**
Loss allowance	(282,061,542)	-	-	-	(282,061,542)
Carrying amount	**2,438,908,925**	**-**	**-**	**-**	**2,438,908,925**

4. Financial risk management (continued)

4.1.4 Credit Quality (continued)

Impairment assessment under IFRS 9 (continued)

Other assets

Other assets	**Stage 1**	**Stage 2**	**Stage 3**		**Total**
31 December 2023	**12-month ECL**	**Lifetime ECL**	**Lifetime ECL**	**Purchased credit-impaired**	
Grades 1-3: Low to fair risk	145,090,041	-	15,321,211	-	160,411,252
Grades 9-10 : Impaired	-	-	-	-	-
Gross carrying amount	**145,090,041**	**-**	**15,321,211**	**-**	**160,411,252**
Loss allowance	-	-	(15,321,211)	-	(15,321,211)
Carrying amount	**145,090,041**	**-**	**-**	**-**	**145,090,041**

	Stage 1	**Stage 2**	**Stage 3**		**Total**
31 December 2022	**212-month ECL**	**Lifetime ECL**	**Lifetime ECL**	**Purchased credit-impaired**	
Grades 1-3: Low to fair risk	250,342,754	-	-	-	250,342,754
Grades 9-10 : Impaired	-	-	-	-	-
Gross carrying amount	**250,342,754**	**-**	**-**	**-**	**250,342,754**
Loss allowance	-	-	-	-	-
Carrying amount	**250,342,754**	**-**	**-**	**-**	**250,342,754**

4. Financial risk management (continued)

4.1.4 Credit Quality (continued)

Impairment assessment under IFRS 9 (continued)

Off balance sheet

31 December 2023	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Purchased credit-impaired	Total
Grades 1-3: Low to fair risk	1,604,834,076	-	-	-	1,604,834,076
Gross carrying amount	**1,604,834,076**	**-**	**-**	**-**	**1,604,834,076**
Loss allowance	(2,362,730)	-	-	-	(2,362,730)
Carrying amount	**1,602,471,346**	**-**	**-**	**-**	**1,602,471,346**

31 December 2022	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Purchased credit-impaired	Total
Grades 1-3: Low to fair risk	1,136,602,051	-	-	-	1,136,602,051
Gross carrying amount	**1,136,602,051**	**-**	**-**	**-**	**1,136,602,051**
Loss allowance	(1,674,544)	-	-	-	(1,674,544)
Carrying amount	**1,134,927,507**	**-**	**-**	**-**	**1,134,927,507**

Loss allowance

The loss allowance recognised in the period is impacted by a variety of factors, as described below:

- Transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the period, and the consequent "step up" (or "step down") between 12-month and lifetime ECL;
- Additional allowances for new financial instruments recognised during the period as well as releases for financial instruments derecognised during the period;
- Impact on the measurement of ECL due to changes in PD's, EAD's and LGD's in the period, arising from regular refreshing of inputs to models;
- Impacts on the measurement of ECL due to changes made to models and assumptions;
- Discount unwind within ECL due to passage of time, as ECL is measured on a present value basis;
- Foreign exchange translations for assets denominated in foreign currencies and other movements; and
- Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period.

Notes to Financial Statements

4. Financial risk management (continued)

4.1.5 Credit Concentration

The Bank monitors concentrations on credit risk by sector, geographic location and industry. The analysis of concentrations of credit risk by location at the reporting date is shown below:

	2023		2022	
	In Ghana	Outside Ghana	In Ghana	Outside Ghana
Assets				
Cash and cash equivalents	**1,987,142,870**	**628,768,123**	1,450,831,529	404,924,765
Investment securities - amortised cost	**3,115,366,973**	**595,476,027**	2,353,148,925	85,760,000
Loans to customers	**1,142,142,783**	**-**	1,544,688,879	-
Other financial assets	**160,411,252**	**-**	250,342,754	-
	6,405,063,878	**1,224,244,150**	5,599,012,087	490,684,765
Liabilities				
Deposits from customers	**6,338,451,000**	**-**	4,736,251,611	-
Deposits from banks	**-**	**-**	72,940,071	-
Other financial liabilities	**81,938,522**	**-**	127,419,810	-
	6,420,389,522	**-**	4,936,611,492	-
Off Balance Sheet Items				
Letters of credit	-	117,253,686	-	325,762,430
Guarantees	685,623,018	801,957,372	764,819,921	46,019,700
	685,623,018	**919,211,058**	764,819,921	371,782,130

4.1.6 Credit Collateral

The Bank holds collateral against loans and advances to customers in the form of cash, treasury bills/certificates, stock and shares of reputable quoted companies, legal mortgages, debentures and guarantees. Estimates of fair value are based on the value of collateral assessed at the time of borrowing, and updated periodically.

Collateral generally is not held over placements with other Banks, except when securities are held as part of reverse repurchase and securities borrowing activity. Collateral is usually also not held against investment securities.

An estimate of the fair value of collateral and other security enhancements held against loans and advances to customers is shown below:

	2023	2022
Against stage 3 loans	**735,365,352**	32,598,186
Against stage 2 loans	**206,266,670**	-
Against stage 1 loans	**3,657,815,305**	968,329,096
	4,599,447,327	1,000,927,282

Details of collateral held against loans and advances and their carrying amounts are shown below. The Bank manages collaterals for loans and advances based on the nature of those collaterals.

4. Financial risk management (continued)

4.1.6 Credit Collateral (continued)

	Dec 2023		Dec 2022	
	Total exposure	Value of collateral	Total exposure	Value of collateral
Secured against real estate	307,516,904	3,942,782,537	470,781,617	375,156,000
Secured against cash	30,169,150	26,726,801	12,937,830	22,223,521
Secured against other collateral*	848,870,279	629,937,989	1,163,257,820	603,547,761
Unsecured	173,490,443	-	69,233,211	-
	1,360,046,776	**4,599,447,327**	**1,716,210,478**	**1,000,927,282**

* Other collateral are mainly domiciliation of payments (sales, invoices, salaries, allowances and terminal benefits), lien on shipping documents, corporate guarantees and similar collaterals.

Other financial assets comprising cash and bank balances (including balances with the central bank), investment securities and accounts receivable are not secured. The Bank's investment in government securities as well as balances held with the Central Bank are not considered to require collaterals given their sovereign nature.

During the year, the Bank did not take possession of any security held as collateral against loans (2022: Nil).

4.2 Liquidity risk

Liquidity risk is the risk that the Bank does not have sufficient financial resources to meet maturing obligations or can only access these financial resources at excessive cost. Liquidity risk arises because of the possibility that the Bank may be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of cash flows under normal and stress circumstances. To limit this risk, management has arranged for diversified funding sources in addition to its core deposit base, and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis. The Bank met all its financial commitments and obligations without any liquidity risk issues during the year.

4.2.1 Management of liquidity risk

The Bank's liquidity management process, which is carried out within the Bank and monitored by a separate team in the Risk Management department includes:

(i) Day-to-day funding, managed by monitoring future cash flows to ensure that requirements can be met. This includes replenishment of funds as they mature or are borrowed by customers;

(ii) Maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;

(iii) Monitoring the liquidity ratios of the statement of financial position against internal and regulatory requirements; and

(iv) Managing the concentration and profile of debt maturities.

Monitoring and reporting take the form of cash flow measurement and projections for the next day, week and month respectively, as these are key periods for liquidity management. The starting point for those projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets. The Bank's Risk Management department 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.

4. Financial risk management (continued)

4.2.2 Funding approach

The Bank manages its liquidity prudently in all locations and for all currencies. The principal uncertainties for liquidity risk are that customers withdraw their deposits at a substantially faster rate than expected, or that asset repayments are not received on the expected maturity date. To mitigate these uncertainties, our funding base is diverse and largely customer-driven, while customer assets are of short tenor. In addition, we have contingency funding plans including a portfolio of liquid assets that can be realised if a liquidity stress occurs, as well as ready access to wholesale funds under normal market conditions. We have significant levels of marketable securities, including government securities that can be monetised or pledged as collateral in the event of a liquidity stress.

Contingency funding plans are reviewed annually. They provide a broad set of Early Warning Indicators, an escalation framework and a set of management actions that could be effectively implemented by the appropriate level of senior management in the event of a liquidity stress.

4.2.3 Exposure to liquidity risk

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 investment grade debt securities for which there is an active and liquid market less any deposits from Banks, debt securities issued, other borrowings and commitments maturing within the next month. Details of the Bank's (liquid ratio) ratio of net liquid assets to customer deposits at the reporting date was as follows:

	2023	2022
At 31 December	**75.8%**	75.4%
Average for the year	**82.1%**	79.2%
Maximum for the year	**120.5%**	87.7%
Minimum for the year	**65.4%**	66.6%

4.2.4 Analysis of financial assets and liabilities by remaining contractual maturities

The tables below show the undiscounted cash flow on the Bank's financial liabilities and on the basis of the earliest possible contractual maturity. The Gross nominal inflow/outflow disclosed in the table is the contractual, undiscounted cash flows on the financial liabilities or commitments. The Bank's expected cash flows on some financial assets and financial liabilities vary significantly from the contractual cash flows. Demand and savings deposits are expected to remain stable or increase.

4. Financial risk management (continued)

4.2.4 Analysis of financial assets and liabilities by remaining contractual maturities (continued)

At 31 December 2023	Gross Nominal Amount	Up to 3 months	3-6 months	6-12 months	Over 1 year	Carrying Amount
Financial liabilities						
Deposits from customers	6,353,502,550	6,225,447,231	106,055,221	22,000,098	-	6,338,451,000
Deposits from banks	-	-	-	-	-	-
Other financial liabilities	84,041,272	40,071,915	-	-	43,969,357	81,938,522
Total financial liabilities	**6,437,543,822**	**6,265,519,146**	**106,055,221**	**22,000,098**	**43,969,357**	**6,420,389,522**
Assets used to manage liquidity						
Cash and bank balances	2,615,921,637	2,615,921,637	-	-	-	2,615,910,993
Investment securities	4,424,212,731	1,821,627,257	61,429,238	65,345,472	2,475,810,764	3,712,871,789
Loans and advances to customers	1,633,743,503	901,365,607	74,091,553	134,759,876	523,526,467	1,142,142,783
Other financial assets	160,411,252	160,411,252	-	-	-	160,411,252
Total financial assets	**8,834,289,123**	**5,499,325,753**	**135,520,791**	**200,105,348**	**2,999,337,231**	**7,631,336,817**
Net liquidity gap	**2,396,745,301**	**(766,193,393)**	**29,465,570**	**178,105,250**	**2,955,367,874**	**1,210,947,295**

The net liquidity gap is funded by the shareholders' funds.

4. Financial risk management (continued)

4.2.4 Analysis of financial assets and liabilities by remaining contractual maturities (continued)

At 31 December 2022	Gross Nominal Amount	Up to 3 months	3-6 months	6-12 months	Over 1 year	Carrying Amount
Financial liabilities						
Deposits from customers	4,739,290,473	4,659,836,256	70,676,317	8,770,578	7,322	4,736,251,611
Deposits from banks	72,961,319	72,961,319	-	-	-	72,940,071
Other financial liabilities	127,780,181	109,092,526	-	-	18,687,655	127,419,810
Total financial liabilities	**4,940,031,973**	**4,841,890,101**	**70,676,317**	**8,770,578**	**18,694,977**	**4,936,611,492**
Assets used to manage liquidity						
Cash and bank balances	1,855,766,938	1,855,766,938	-	-	-	1,855,756,294
Investment securities	2,745,928,008	1,662,529,133	348,007,180	129,776,667	605,615,028	2,438,908,925
Loans and advances to customers	2,325,642,922	493,226,088	122,939,713	274,843,856	1,434,633,265	1,544,688,879
Other financial assets	250,342,754	250,342,754	-	-	-	250,342,754
Total financial assets	**7,177,680,622**	**4,261,864,913**	**470,946,893**	**404,620,523**	**2,040,248,293**	**6,089,696,852**
Net liquidity gap	**2,237,648,649**	**(580,025,188)**	**400,270,576**	**395,849,945**	**2,021,553,316**	**1,153,085,360**

The net liquidity gap is funded by the shareholders' funds.

4. **Financial risk management (continued)**

4.2.5 Assets held for managing liquidity risk

The Bank holds a diversified portfolio of cash and high-quality highly-liquid securities to support payment obligations and contingent funding in a stressed market environment. The Bank's assets held for managing liquidity risk comprise:

(I) Cash and balances with Bank of Ghana;

(II) Placement and balances with other Banks;

(III) Government bonds and other securities that are readily acceptable in repurchase agreements

(IV) Short term loans and advance

4.3 Market risks

The Bank takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices. The Bank separates exposures to market risk into either trading or non-trading portfolios.

Overall responsibility for management of market risk rests with the 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.

4.3.1 Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Bank takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce losses in the event that unexpected movements arise. The Board sets limits on the level of mismatch of interest rate repricing and value at risk that may be undertaken, which is monitored daily by Bank Treasury.

Interest rates on advances to customers and other risk assets are based on the individual risk profile of the customer, taking into account the Bank's cost of fund.

The Asset and Liability Committee closely monitors the interest rate trends to minimize the potential adverse impact of interest rate changes.

4. Financial risk management (continued)

4.3.1 Interest rate risk (continued)

The table below summarises the Bank's exposure to interest rate risks. Included in the table are the Bank's financial assets and liabilities at carrying amounts, categorised by the earlier of contractual repricing or maturity dates. The Bank does not bear an interest rate risk on off balance sheet items.

At 31 December 2023	Up to 3 months	3-6 months	6-12 months	Over 1 year	Non-interest bearing	Total
Financial assets						
Cash and bank balances	796,291,838	-	-	-	1,819,619,155	2,615,910,993
Investment securities	1,830,174,090	63,504,019	69,520,207	2,260,975,792	-	4,224,174,108
Loans and advances to customers	908,720,536	70,812,117	113,120,189	280,178,140	-	1,372,830,982
Other financial assets	-	-	-	-	160,411,252	160,411,252
Total financial assets	**3,535,186,464**	**134,316,136**	**182,640,396**	**2,541,153,932**	**1,980,030,407**	**8,373,327,335**
Financial liabilities						
Deposits from customers	2,894,525,378	100,937,624	19,282,781	-	3,323,705,557	6,338,451,340
Deposits from banks	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	81,938,522	81,938,522
Total financial liabilities	**2,894,525,378**	**100,937,624**	**19,282,781**	**-**	**3,405,644,079**	**6,420,389,862**
Interest rate sensitivity gap	**640,661,086**	**33,378,512**	**163,357,615**	**2,541,153,932**	**(1,425,613,672)**	**1,952,937,473**

(All amounts are expressed in Ghana cedis unless otherwise stated)

4. Financial risk management (continued)

4.3.1 Interest rate risk (continued)

At 31 December 2022	Up to 3 months	3-6 months	6-12 months	Over 1 year	Non-interest bearing	Total
Financial assets						
Cash and bank balances	804,152,135	-	-	-	1,051,604,159	1,855,756,294
Investment securities	1,867,146,242	354,090,543	124,541,625	376,537,688	-	2,722,316,098
Loans and advances to customers	499,439,892	122,817,616	272,856,263	821,096,706	-	1,716,210,477
Other financial assets	-	-	-	-	250,342,754	250,342,754
Total financial assets	**3,170,738,269**	**476,908,159**	**397,397,888**	**1,197,634,394**	**1,301,946,913**	**6,544,625,623**
Financial liabilities						
Deposits from customers	1,724,825,061	141,723,541	5,061,303	54,638	2,864,587,068	4,736,251,611
Deposits from banks	72,940,071	-	-	-	-	72,940,071
Other financial liabilities	-	-	-	-	127,419,810	127,419,810
Total financial liabilities	**1,797,765,132**	**141,723,541**	**5,061,303**	**54,638**	**2,992,006,878**	**4,936,611,492**
Interest rate sensitivity gap	**1,372,973,137**	**335,184,618**	**392,336,585**	**1,197,579,756**	**(1,690,059,965)**	**1,608,014,131**

4. Financial risk management (continued)
4.3.1 Interest rate risk (continued)

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the Bank.

Sensitivity analysis

An increase of a 100 basis points in interest rates at the reporting date would have impacted equity and profit by the amounts shown below:

Sensitivity analysis of interest rate risks - Increase of 100 basis points in net interest margin

	2023	2022
Interest income impact	**63,932,969**	52,426,787
Interest expense impact	**(30,147,458)**	(19,446,046)
Net impact on profit	**33,785,511**	32,980,741

A decrease of a 100 basis points in interest rates at the reporting date would have had the equal but opposite effect on the amount shown above, on the basis that all other variables remain constant.

4.3.2 Foreign exchange risk

The Bank operates wholly within Ghana and its assets and liabilities are carried in local currency. The Bank maintains trade with correspondent Banks and takes deposits and lends in foreign currencies. The Bank is exposed to the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Bank's currency position and exposure are managed within the exposure guideline of 5% and 10% of the core capital for single currency position and aggregate currency position respectively as stipulated by the Bank of Ghana. These positions are reviewed on a daily basis by management.

The Bank applied the Bank of Ghana mid-rates indicated below to translate balances denominated in foreign currencies to Ghana cedi as at 31 December 2023:

Currency	2023	2022
USD	**11.8800**	8.5760
GBP	**15.1334**	10.3118
EUR	**13.1264**	9.1457

4. Financial risk management (continued)
4.3.2 Foreign exchange risk (continued)

The table below summarises the Bank's exposure to foreign currency exchange rate risk as at the reporting date.

As at 31 December 2023

Financial assets	GH¢	USD	EUR	Others	Total
Cash and bank balances	1,403,136,963	1,075,364,081	130,290,459	7,119,490	2,615,910,993
Investment securities	3,071,808,984	639,034,016	-	-	3,710,843,000
Loans and advances to customers	1,057,212,349	84,930,434	-	-	1,142,142,783
Other financial assets	145,090,041	7,851,905	161,325	-	153,103,271
Total financial assets	**5,677,248,337**	**1,807,180,436**	**130,451,784**	**7,119,490**	**7,622,000,047**
Financial liabilities					
Deposits from customers	4,716,045,018	1,469,156,061	127,695,825	25,554,096	6,338,451,000
Other financial liabilities	75,785,336	5,112,469	857,278	183,439	81,938,522
Total financial liabilities	**4,791,830,354**	**1,474,268,530**	**128,553,103**	**25,737,535**	**6,420,389,522**
Net balance sheet position	**885,417,983**	**332,911,906**	**1,898,681**	**(18,618,045)**	**1,201,610,525**
Off balance sheet items					
Letters of credit	-	117,253,686	-	-	117,253,686
Letters of guarantee	375,338,064	801,957,372	310,284,954	-	1,487,580,390
Loan commitments	17,098,604	-	-	-	17,098,604

Notes to Financial Statements

(All amounts are expressed in Ghana cedis unless otherwise stated)

4. Financial risk management (continued)

4.3.2 Foreign exchange risk (continued)

The table below summarises the Bank's exposure to foreign currency exchange rate risk as at the reporting date.

As at 31 December 2022

Financial assets	GH¢	USD	EUR	Others	Total
Cash and bank balances	1,088,092,294	651,334,709	94,812,393	21,516,898	1,855,756,294
Investment securities	1,975,643,121	463,265,804	-	-	2,438,908,925
Loans and advances to customers	1,468,860,296	75,828,583	-	-	1,544,688,879
Other financial assets	250,342,754	16,082,106	34,881	-	266,459,741
Total financial assets	**4,782,938,465**	**1,206,511,202**	**94,847,274**	**21,516,898**	**6,105,813,839**
Financial liabilities					
Deposits from customers	3,726,139,477	896,739,844	93,614,427	19,757,863	4,736,251,611
Deposits from banks	-	72,940,071	-	-	72,940,071
Other financial liabilities	33,544,827	93,147,650	602,338	124,995	127,419,810
Total financial liabilities	**3,759,684,304**	**1,062,827,565**	**94,216,765**	**19,882,858**	**4,936,611,492**
Net balance sheet position	**1,023,254,161**	**143,683,637**	**630,509**	**1,634,040**	**1,169,202,347**
Off balance sheet items					
Letters of credit	-	325,762,430	-	-	325,762,430
Letters of guarantee	402,707,916	191,942,658	216,189,047	-	810,839,621
Loan commitments	75,499,552	-	-	-	75,499,552

(All amounts are expressed in Ghana cedis unless otherwise stated)

4. Financial risk management (continued)

4.3.2 Foreign exchange risk (continued)

Sensitivity analysis

A 5% weakening of the cedi against foreign currencies at 31 December 2023 would have impacted equity and profit / (loss) by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 31 December 2023:

	2023	2022
Loss	**(15,809,627)**	(7,297,409)

A 5% strengthening of the Ghana cedi against foreign currencies at 31 December 2023 would have had the equal but opposite effect on the amount shown above, on the basis that all other variables remain constant.

4.4 Operational risks

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Bank's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior. Operational risks arise from all of the Bank's operations and are faced by all business entities.

The Bank's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Bank's or Group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall Bank standards for the management of operational risk in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorisation of transactions
- Requirements for the reconciliation and monitoring of transactions
- Compliance with regulatory and other legal requirements
- Documentation of controls and procedures
- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- Requirements for the reporting of operational losses and proposed remedial action
- Development of contingency plans
- Training and professional development
- Ethical and business standards
- Risk mitigation, including insurance where this is effective.

Compliance with Bank standards is supported by a programme of periodic reviews undertaken by Internal Audit. The results of Internal Audit reviews are discussed with the management of the business unit to which they relate, with summaries submitted to the Audit Committee and senior management of the Bank.

4.5 Fair value measurement

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the company's market assumptions. These two types of inputs have created the following fair value hierarchy:

Level 1 - inputs that are quoted market prices (unadjusted) in active markets for identical instruments. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

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 cashflow models, comparison with similar instruments for which market observable prices exist, Black-Scholes and polynomial option pricing models and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rate, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

4.5 Fair value hierarchy

There has been no change in the valuation techniques and inputs used in the valuation of fair value measurements categorised as level 2 in the fair value hierarchy.

During the year, there were no transfers between levels of the fair value hierarchy.

The carrying amount of financial assets and liabilities not measured at fair value, is deemed to be a reliable estimate of fair value.

4.6 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where the Bank currently has a legally enforceable right to set-off the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. In the normal course of business, the Bank may enter into various master netting agreements or other similar arrangements that do not meet the criteria for offsetting in the statement of financial position but still allow for the related amounts to be set off in certain circumstances.

Except for electronic banking and similar payment transactions for which the standard terms of agreement allow for net settlement of payments in the normal course of business, the Bank has no financial instruments that are offset, or subject to enforceable master netting arrangements or other similar agreements but not offset, as at the reporting date (2022: nil).

4.7 Updates on Ghana Domestic Debt Exchange Programme (GDDEP)

2023 financial year was the second year the bank assessed Government securities for impairments. The bank in 2023 further participated in phase 2 of the GDDEP. UBA Ghana's exchanged GHS 1.02bn in the phase 2 of GDDEP.

The bank's policy on impairment of assets under GDDEP remains the same as the last financial year. The eligible bonds are reviewed based on the expected cash flow from the new bonds based on the financial terms provided in the exchange memorandum. The bank also verified the appropriateness of the discount rate used for the determination of the present value of cash flows for the new bonds and also ensured that the discount rate used is within the acceptable range issued by the Institute of Chartered Accountants, Ghana. The bank used a discount rate of 17% for the computation of impairment for the phase 2 of Ghana Domestic Debt Exchange Program (GDDEP). Management ensured appropriate staging, determination of Loss Given Default (LGD) and Probability of Default (PD) for each category of investment securities held by the bank from Government. There were no changes to the policy as applied in the phase 1 of the DDEP.

Sensitivity Analysis-Investment securities under the GDDEP

The Sensitivity of the impairment provision to a 1% change in the discount rate is set out below:

Bank	**ECL**
At 31 December 2023	GH¢000
1% decrease in discount rate	78,867.18
Base	103,227.91
1% increase in discount rate	126,696.17

4.8 The nature of the Debt Exchange Programme

Government under IMF resumed its domestic debt restructuring program by inviting eligible bondholders to exchange US$809 million of foreign currency-denominated notes for two new securities maturing in 2027 and 2028 that would pay coupons of 2.75% and 3.25%, respectively. Further to this Government also restructured Cocoa bills of GHS7.9 billion by offering eligible bondholders 13% on five new bonds maturing in 2024 through to 2028.

4.9 Amount and type of securities exchanged under the Phase 1 and Phase 2 DDEP

UBA Ghana was exposed to only the Cocoa bills under phase 2 of the GDDEP. The Bank's total exposure as at the point of exchange was GHS 1.02bn.

As at 31 December 2023, the Bank's total exposure to government securities was GHS 4.22 billion with an associated impairment of GHS 511.30 million out of which GHS 351.63 million was as a result of the Government Domestic Debt Exchange (GDDE) Programme.

4.10 Going Concern/Capital Requirements on account of the impact of the GDDEP disclosed

The bank continues to assess the impact of GDDEP on capital to reduce the negative impact on current capital adequacy ratio levels. The bank's capital adequacy remains above the prudential requirement of 10% as well as the 13% requirement before the GDDEP. However, management plans to grow capital through Retain earning to build buffer and safeguard the capital adequacy of the bank.

5. Capital management

5.1 Regulatory capital

Bank of Ghana sets and monitors capital requirements for the Bank.

The Bank's objectives when managing capital, which is a broader concept than the 'equity' on the face of the statement of financial position, are:

- To safeguard the Banks ability to continue as a going concern so that it can continue to provide returns for the shareholders and benefits for the other stakeholders.
- To maintain a strong capital base to support the current and future development needs of the business.
- To comply with the capital requirements set by the Bank of Ghana.

Capital adequacy and the use of regulatory capital are monitored daily by the Bank's management, based on the guidelines set by Bank of Ghana (the regulator), for supervisory purposes. The required information is filed with the Bank of Ghana on a monthly basis.

The regulatory capital requirements are strictly observed when managing economic capital. The Bank's regulatory capital is managed by the Bank's Risk Management Department and comprises two tiers:

(i) Tier 1 capital: stated capital (net of any book values of the treasury shares), statutory reserve, retained earnings and reserves created by appropriations of retained earnings. This excludes credit risk reserve.

((ii) Tier 2 capital: qualifying subordinated loan capital and unrealised gains arising on the fair valuation of equity instruments held as available-for-sale and a percentage of unaudited profits.

The Bank of Ghana requires each Bank to:

(i) Hold the minimum level of regulatory capital of GH¢400 million; and

(ii) Maintain a ratio of total regulatory capital to risk weighted assets plus risk weighted off balance assets at above the required minimum of 10% (exclusive of the Capital Conversion Buffer).

Effective 1 January 2020, the Bank is fully complied with the Capital Requirements Directive (CRD) issued in June 2018 by the Bank of Ghana under Section 92(1) of the Banks and Specialised Deposit-Taking Institutions Act, 2016. The CRD which is based on Basel II guidelines requires Banks to maintain a minimum risk weighted capital adequacy ratio of 10%, with a minimum Tier 1 Capital of 8%. In total, Banks are required to manage their capital to meet the total capital requirement of 10%.

The table below summarizes the composition of regulatory capital and the ratios of the Bank for the respective periods ended 31 December 2023 and 31 December 2022. During both periods, the Bank complied with all of the externally imposed capital requirements.

(All amounts are expressed in Ghana cedis unless otherwise stated)

5. Capital management

5.1 Regulatory capital (continued)

	2023	2022
Paid up capital	**400,000,000**	400,000,000
Income surplus	**486,387,853**	439,369,978
Statutory reserves	**395,856,873**	351,896,216
Common Equity Tier 1 (CET 1) capital before deductions	**1,282,244,726**	1,191,266,194
Less: Regulatory adjustments to Common Equity Tier 1 Capital:		
Intangible assets (software)	**1,863,627**	2,051,086
Deferred tax assets	**180,204,585**	89,468,166
Other intangibles	**159,282,873**	54,186,637
Intra-group transactions	**231,675,444**	135,615,600
Other regulatory deductions	**-**	63,299,624
Common Equity Tier 1 (CET 1) capital after deductions	**709,218,197**	846,645,081
Tier 2 capital		
Fair value gains on investment at FVOCI	**-**	-
Total regulatory capital	**709,218,197**	846,645,081
Composition of risk weighted assets		
Risk-weighted amount for credit risk	**2,264,532,091**	2,325,293,674
Risk-weighted amount for operational risk	**1,572,132,775**	1,255,270,100
Risk-weighted amount for market risk	**885,544,570**	607,581,794
Total risk weighted assets	**4,722,209,436**	4,188,145,568
Risk ratios		
Common Equity Tier 1 ratio	**15.0%**	20.2%
Capital adequacy ratio	**15.0%**	20.2%
Leverage ratios		
Off balance sheet exposures	**1,604,834,076**	1,136,602,051
On balance sheet total assets	**7,921,425,521**	6,210,061,793
Total	**9,523,896,867**	7,346,663,844
Less Deductions	**(573,026,529)**	(344,621,113)
Total exposure	**8,950,870,338**	7,002,042,731
Leverage ratio	**7.9%**	11.9%

(All amounts are expressed in Ghana cedis unless otherwise stated)

5. Capital management

5.2 Regulatory credit reserve

Provisions under prudential guidelines are determined using the time based provisioning prescribed by the Bank of Ghana. This is at variance with the expected credit loss model required by IFRS 9. Provisions for loans recognised in the profit and loss account should be determined based on the requirements of IFRS.

However, the IFRS provision should be compared with provisions determined under prudential guidelines and the expected impact/changes in general reserves should be treated as follows:

- Where prudential provisions is greater than IFRS provisions; the excess provision resulting there from should be transferred from the general reserve account to a “regulatory credit risk reserve”.
- Where prudential provisions is less than IFRS provisions; IFRS determined provision is charged to the statement of comprehensive income. The cumulative balance in the regulatory risk reserve is thereafter reversed to the general reserve account.

The movement in regulatory credit risk reserve during the year was as follows:

	2023	
1 January	**-**	-
Transfer (to)/from income surplus	**84,864,097**	-
31 December	**84,864,097**	-
		-
Total impairment based on IFRS	**217,903,993**	**-**
		-
Total impairment based on prudential guidelines	**302,768,090**	-
Regulatory credit risk reserve	**84,864,097**	-

6. Critical accounting estimates and judgements in applying the bank's accounting policies

The preparation of the Bank's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Bank's accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Existing circumstances and assumptions about future developments may change due to circumstances beyond the Bank's control and are reflected in the assumptions if and when they occur. Items with the most significant effect on the amounts recognised in the consolidated financial statements with substantial management judgement and/or estimates are collated below with respect to judgements/estimates involved.

6.1 Impairment losses on financial assets

The measurement of impairment losses both under IFRS 9 across all categories of financial assets in scope requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk.

These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Bank's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies.

Elements of the ECL models that are considered accounting judgements and estimates include:

- The Bank's internal credit grading model, which assigns PDs to the individual grades.
- The Bank's criteria for assessing if there has been a significant increase in credit risk.
- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL models, including the various formulas and the choice of inputs.
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs.
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

It has been the Bank's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The calculation of ECL involves significant accounting judgements, estimates and assumptions.

6.2 Going Concern

The Bank's management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt on the Bank's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

6.3 Fair value of Financial Instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

6.3 Fair value of Financial Instruments (continued)

Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

6.4 Deferred tax assets

Deferred tax assets are recognised in respect of tax losses to the extent that it is probable that future taxable profit will be available against which the tax losses can be utilised. Judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and level of future taxable profits, together with future tax-planning strategies.

6.5 Estimating the incremental borrowing rate

The Bank cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Bank would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Bank 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Bank estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific adjustments.

The preparation of the Bank's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Bank's accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities. Existing circumstances and assumptions about future developments may change due to circumstances beyond the Bank's control and are reflected in the assumptions if and when they occur. Items with the most significant effect on the amounts recognised in the financial statements with substantial management judgement and/or estimates are collated below.

7. Interest income

	2023	2022
Loans to banks	**35,983,529**	37,068,307
Loans to customers	**369,959,603**	243,938,252
Investment securities:		
- At amortised cost	**679,430,995**	517,604,804
- At fair value through other comprehensive income	**-**	-
	1,085,374,127	798,611,363

Interest income at amortized costs are calculated using the effective interest method.

Notes to Financial Statements

All amounts are expressed in Ghana cedis unless otherwise stated)

8. Interest expense

	2023	2022
Deposits from customers:		
Fixed deposits	**262,178,985**	219,675,406
Savings deposits	**7,381,175**	5,306,366
Demand and call deposits	**22,012,224**	23,880,081
	291,572,384	248,861,853
Deposits from banks	**17,237,521**	11,313,142
Finance cost on lease liability	**1,884,627**	1,613,411
	19,122,148	12,926,553
	310,694,532	261,788,406

Interest expense at amortized costs is calculated using the effective interest method.

Notes to Financial Statements

All amounts are expressed in Ghana cedis unless otherwise stated)

9. Fees and commission income

	2023	2022
Commission on turnover	8,411,045	8,110,023
Credit-related fees and commissions	5,676,297	3,865,932
Trade finance fees	26,213,675	20,114,390
Electronic banking income	27,221,546	26,973,905
Guarantee charges and commissions	11,028,178	5,251,648
Other commissions on transactional services	14,672,252	11,055,871
	93,222,993	75,371,769
Fees and commission expenses	(48,134,177)	(27,551,209)
Net fees and commission income	45,088,816	47,820,560

Fees and commission expense comprise expenses related to electronic banking as well as other bank charges.

10. Net trading and revaluation income

	2023	2022
Foreign exchange trading income	77,066,636	91,928,376
Foreign currency revaluation gain/(loss)	7,927,306	5,350,179
	84,993,942	97,278,555

11. Other operating income

Profit on disposal of property and equipment	37,936	113,973
Other income	22,000	13,922
	59,936	127,895

12. Allowance for credit losses on financial assets

Allowance for credit loss on loans to customers	122,466,227	123,042,433
Allowance charged for credit loss on investment securities	245,619,966	281,647,731
Allowance for credit loss on other assets	15,321,211	
Allowance/(Reversal) charged for loss on contingent liabilities	688,186	2,223,315
Recoveries on loans written off	(19,786)	(282,649)
	384,075,804	406,630,830

All amounts are expressed in Ghana cedis unless otherwise stated)

13. Personnel expenses

	2023	2022
Salaries and wages	**75,579,492**	63,077,404
Social security fund contribution	**3,961,440**	2,878,070
Staff provident fund	**3,927,881**	3,197,519
Other staff benefits	**15,370,292**	11,600,863
	98,839,105	80,753,856
Number of staff at year end	**490**	444

14. Depreciation and amortisation

Depreciation of property and equipment	8,488,341	5,672,063
Depreciation of right of use assets	6,177,796	6,306,569
Amortisation of intangible assets	782,668	611,697
	15,448,805	12,590,329

15. Other operating expenses

Directors fees	**5,821,200**	5,016,960
Auditors remuneration	**1,253,006**	941,021
Occupancy and premises maintenance costs	**42,654,517**	20,342,916
Business travels	**3,836,843**	2,884,065
Advertising, promotions and branding	**3,316,804**	2,362,665
Legal and professional service fees	**16,294,971**	15,646,592
IT and Communication expenses	**8,921,871**	8,879,297
Printing, stationery and subscriptions	**4,534,715**	3,882,972
Security and cash handling expenses	**7,612,137**	5,814,714
Deposit insurance premium	**11,384,924**	9,440,574
Other insurance costs	**705,557**	455,921
Fuel, repairs and maintenance	**6,740,073**	4,167,719
Property and equipment written off	**57,882**	65,296
Donations	**94,190**	316,500
Other expenses	**17,259,511**	10,645,921
	130,488,201	90,863,133
Number of directors at year end	**10**	10

All amounts are expressed in Ghana cedis unless otherwise stated)

16. Basic and diluted earnings per share

	2023	2022
Profit attributable to equity holders	**171,338,286**	59,594,174
Weighted average number of ordinary shares outstanding	**7,400,500,000**	7,400,500,000
Basic and diluted earnings per share	**0.02**	0.01

The Bank has no dilutive instruments. Hence basic and diluted earnings per share are equal.

17. Income tax

	2023	2022
Current income tax	**162,930,735**	97,874,718
National fiscal stabilisation levy	**13,798,511**	5,198,458
Financial Sector Recovery levy	**13,798,511**	4,560,599
Deferred income tax	**(90,400,012)**	(76,016,130)
Income tax expense	**100,127,745**	31,617,645

Reconciliation of actual to effective tax rate

Profit before income tax	**275,970,374**	91,211,819	218,814,114
Tax calculated at the tax rate of 25%	**68,992,594**	22,802,955	54,703,529
National fiscal stabilization levy of 5%	**13,798,519**	4,560,591	10,940,706
Financial Sector Recovery levy of 5%	**13,798,519**	4,560,591	10,940,706
Expenses not deductible for tax purposes	**738,943**	468,232	533,485
Income not subject to tax	**(14,872)**	(59,556)	(50,816)
Prior year (overpayment)/charge	**2,814,042**	(715,168)	(18,233)
Total income tax expense	**100,127,745**	31,617,645	77,049,377
Effective tax rate	**39%**	35%	35%

Corporate tax	**Balance at 1 January**	**Charge for the year**	**Payment**	**Balances at 31 December**
At 1 January 2023	(5,077,835)	12,138,089	-	7,060,254
2023	-	150,792,646	(158,744,324)	(7,951,678)
	(5,077,835)	**162,930,735**	**(158,744,324)**	**(891,424)**
Growth and Sustainability levy				
At 1 January 2023	(13,108,224)	(8)	-	(13,108,232)
2023	-	13,798,519	(18,117,309)	(4,318,790)
	(13,108,224)	**13,798,511**	**(18,117,309)**	**(17,427,022)**

All amounts are expressed in Ghana cedis unless otherwise stated)

17. Income tax (continued)

Financial Sector Recovery levy				
At 1 January 2023	(12,230,134)	(8)	-	(12,230,142)
2023	-	13,798,519	(18,117,309)	(4,318,790)
	12,230,134	**13,798,511**	**(18,117,309)**	**16,548,932**
Current income tax 31 December 2022	**(30,416,193)**	**190,527,757**	**(194,978,942)**	**(34,867,378)**

18. Deferred tax

	Property and equipment	Allowances for credit losses	Leases	Investment securities at FVOCI	Total
At 1 January 2023	528,172	(91,417,346)	1,084,601	-	(89,804,573)
Debited to profit or loss	(324,838)	(73,852,341)	(6,898,794)	-	(81,075,973)
Prior Year Adjustment	(53,838)	(8,943,291)	(326,910)	-	(9,324,039)
At 31 December 2023	**149,496**	**(174,212,978)**	**(6,141,103)**	**-**	**(180,204,585)**
At 1 January 2022	49,865	(14,411,842)	573,533	336,408	(13,452,036)
Debited to profit or loss	478,343	(77,005,505)	501,335	-	(76,025,827)
Debited to profit or loss	**-**	**-**	**-**	**(336,408)**	**(336,408)**
Prior Year Adjustment	**(36)**	**-**	**9,733**	**-**	**9,697**
At 31 December 2022	**528,172**	**(91,417,347)**	**1,084,601**	**-**	**(89,804,574)**
At 31 December 2021	**49,865**	**(14,411,842)**	**573,533**	**336,408**	**(13,452,036)**

Reconciliation of recognised deferred tax assets and liabilities on the statement of financial position.

	2023	2022
Deferred tax assets		
Allowance for credit losses	**173,270,515**	91,417,347
Total deferred tax assets	**(173,270,515)**	(91,417,347)
Deferred tax liabilities		
Property and equipment	**149,496**	528,172
Leases	**(6,146,621)**	1,084,601
Investment securities at FVOCI	**-**	-
Total deferred tax liabilities	**(5,997,125)**	1,612,773
Net deferred tax assets/liabilities	**(179,267,640)**	(89,804,574)

Notes to Financial Statements

All amounts are expressed in Ghana cedis unless otherwise stated)

19. Cash and bank balances

	2023	2022
a) Cash and Balances with Bank of Ghana		
Cash on hand	**86,481,138**	87,740,059
Balances with Bank of Ghana (Mandatory)	**950,767,650**	473,625,161
Balances with Bank of Ghana (Unrestricted)	**522,955,647**	412,282,565
	1,560,204,435	973,647,785
b) Due from other banks		
Items in course of collection	**41,852,264**	27,372,535
Placements and balances with local banks	**385,086,171**	449,811,209
Placements with foreign banks	**411,205,667**	354,340,926
Nostro account balances	**217,562,456**	50,583,839
	1,055,706,558	882,108,509
Net cash and bank balances	**2,615,910,993**	1,855,756,294
c) Cash and cash equivalents for purposes of the statements of cash flows		
Cash and balances with Bank of Ghana	**1,560,204,435**	973,647,785
Due from other banks	**1,055,706,558**	882,108,509
	2,615,910,993	1,855,756,294

*The differences in cash flow method from prior year was because the bank used to take into consideration short term investment i.e. up to 90 day securities in arriving at the cash and cash equivalents. For the year 2023, the Bank did not take into consideration short term investment as cash and cash equivalent.

Balances with Bank of Ghana include mandatory deposit reserve of GHS 477,142,489 (2022: GHS 66,075,326) which is not available for day-to-day operations.

All amounts are expressed in Ghana cedis unless otherwise stated)

20. Investment securities

	2023	2022
(a) Amortised Cost		
(i) Treasury Bills		
91-Day Treasury Bill	**921,592,176**	499,917,782
182-Day Treasury Bill	**792,793,847**	879,483,893
364-Day Treasury Bill	**36,478,153**	5,181,135
	1,750,864,176	1,384,582,810
(ii) Government Bonds		
2- Year Fixed Bond	**-**	262,033,682
3- Year Fixed Bond	**-**	271,728,200
4- Year Fixed Bond	**102,586,655**	-
5- Year Fixed Bond	**102,716,530**	410,198,579
6- Year Fixed Bond	**97,809,932**	22,776,923
7- Year Fixed Bond	**97,933,598**	298,476,931
8- Year Fixed Bond	**94,994,343**	-
9- Year Fixed Bond	**95,113,951**	-
10- Year Fixed Bond	**95,233,632**	53,288,862
11- Year Fixed Bond	**24,412,684**	-
12- Year Fixed Bond	**24,443,363**	17,884,480
13- Year Fixed Bond	**24,474,061**	-
14- Year Fixed Bond	**24,511,029**	-
15- Year Fixed Bond	**24,550,471**	-
Cocoa Bonds	**1,067,024,865**	-
5- Year Government Bonds	**352,907,379**	-
7- Years Government Bonds	**242,568,648**	-
	2,471,281,141	1,336,387,657
(iii) Commercial papers	**-**	-
Gross carrying amount	**4,222,145,317**	2,720,970,467
Allowance for credit loss on investment securities	**(511,302,317)**	(282,061,542)
Net carrying amount	**3,710,843,000**	2,438,908,925
Treasury bills	**1,750,864,176**	1,384,582,810
Government bonds	**1,959,978,824**	1,054,326,115
Commercial papers	**-**	-
	3,710,843,000	2,438,908,925
Current	**1,835,037,886**	2,423,611,207
Non-current	**1,875,805,114**	15,297,718
	3,710,843,000	2,438,908,925

20. Investment securities (Continued)

All amounts are expressed in Ghana cedis unless otherwise stated)

21. Loans and advances to customers

Analysis by type of advance	2023	2022
Overdrafts	**913,198,810**	925,086,564
Term Loans	**446,847,966**	791,123,914
Gross loans and advances	**1,360,046,776**	1,716,210,478
Allowance for credit losses on loans to customers	**(217,903,993)**	(171,521,599)
Net loans and advances	**1,142,142,783**	1,544,688,879
Analysis by type of customer		
Private enterprises	**1,129,464,289**	1,619,495,877
Individuals	**212,815,483**	82,961,208
Staff	**17,767,004**	13,753,393
Gross loans and advances	**1,360,046,776**	1,716,210,478
Analysis by Sector		
Retail customers	**235,713,793**	434,360,148
Corporate customers	**1,124,332,983**	1,281,850,330
Gross loans and advances	**1,360,046,776**	1,716,210,478
Allowance for credit losses on loans to customers	**(217,903,993)**	(171,521,599)
Net loans and advances to customers	**1,142,142,783**	1,544,688,879
Current	**875,272,868**	1,429,553,066
Non- current	**484,773,908**	286,657,413
	1,360,046,776	1,716,210,479
Loan loss provision ratio	**64.8%**	63.4%
Gross non-performing loans ratio	**24.7%**	15.8%

All amounts are expressed in Ghana cedis unless otherwise stated)

21. Loans and advances to customers (continued)

Movement in impairment on loans and advances to customers

	2023	2022
Allowance for credit losses to customers		
At 1 January	**171,521,599**	102,624,903
Charge for the year	**122,466,227**	123,042,433
Reversals during the year	**(63,299,628)**	-
Amounts written off	**(12,784,205)**	(54,145,737)
Balance at end of year	**217,903,993**	171,521,599

a) Loans and advances to customers per IFRS 9 classification

2023

	Stage 1	Stage 2	Stage 3	Total
Gross Amount				
Loans to individuals:	57,122,091	-	4,372,970	61,495,061
Loans to corporate entities	818,150,777	149,397,394	331,003,544	1,298,551,715
	875,272,868	**149,397,394**	**335,376,514**	**1,360,046,776**

	Stage 1	Stage 2	Stage 3	Total
Allowance for credit losses				
Loans to individuals:	5,758,029	-	4,304,338	10,062,367
Loans to corporate entities	20,098,913	378,017	187,364,696	207,841,626
Total allowance for credit losses	25,856,942	378,017	191,669,034	217,903,993
Carrying amount	**849,415,926**	**149,019,377**	**143,707,480**	**1,142,142,783**

21. Loans and advances to customers (continued)
a) Loans and advances to customers per IFRS 9 classification (continued)

2022

	Stage 1	Stage 2	Stage 3	Total
Gross Amount				
Loans to individuals:	5,644,928	-	-	5,644,928
Loans to corporate entities	1,440,185,040	104,682,380	165,698,130	1,710,565,550
	1,445,829,968	**104,682,380**	**165,698,130**	**1,716,210,478**
Allowance for credit losses				
Loans to individuals:	539,199	-	-	539,199
Loans to corporate entities	21,793,680	49,172,235	100,016,485	170,982,400
Total allowance for credit losses	22,332,879	49,172,235	100,016,485	171,521,599
Carrying amount	**1,423,497,089**	**55,510,145**	**65,681,645**	**1,544,688,879**

b) Allowance for credit loss on loans and advances to customers

2023

	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2023	22,332,879	49,172,235	100,016,485	171,521,599
Transfers:				
Allowance for credit losses	3,524,063	(48,794,218)	167,736,382	122,466,227
Reversal during the year	-	-	(63,299,628)	(63,299,628)
Write-offs	-	-	(12,784,205)	(12,784,205)
Balance at 31 December 2023	**25,856,942**	**378,017**	**191,669,034**	**217,903,993**

2022

	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 2022	20,320,873	-	83,208,110	103,528,983
Transfers:				
Allowance for credit losses	2,012,006	49,172,235	68,808,375	119,992,616
Exchange gains on provision	-	-	(52,000,000)	(52,000,000)
Balance, at 31 December 2022	**22,332,879**	**49,172,235**	**100,016,485**	**171,521,599**

22. Other assets

	2023	2022
Financial assets		
Mobile money receivables	**57,549,754**	163,356,353
Accounts receivable	**102,861,498**	77,704,922
	160,411,252	241,061,275
Allowance on accounts receivable	**(15,321,211)**	-
	145,090,041	241,061,275
Non-financial assets		
Prepayments	**15,212,462**	(65,659,171)
Stationery stock	**1,709,946**	694,362
	16,922,408	(64,964,809)
Total	**162,012,449**	176,096,466
Current	**146,691,238**	176,096,466
Non- current	**15,321,211**	-
	162,012,449	176,096,466

a) Accounts receivable per IFRS 9 classification

31 December 2023	Stage 1	Stage 2	Stage 3	Total
Gross amount				
Balance beginning of year	77,704,922	-	-	77,704,922
Amounts originated/derecognised (net)	25,156,576	-	-	25,156,576
Transfer from stage 1 to stage 3	(15,321,211)		15,321,211	-
Balance, at 31 December	**87,540,287**	**-**	**15,321,211**	**102,861,498**
31 December 2022				
Gross amount				
Balance at 1 January	23,091,390	-	-	23,091,390
Amounts originated/derecognised (net)	54,613,532	-	-	54,613,532
Balance, at 31 December	**77,704,922**	**-**	**-**	**77,704,922**

All amounts are expressed in Ghana cedis unless otherwise stated)

22. Other assets (continued)

b) Allowance for credit losses on accounts receivable

	Stage 1	Stage 2	Stage 3	Total
31 December 2023				
Balance at 1 January	-	-	-	-
Decrease in allowances for credit losses on other assets	-	-	15,321,211	15,321,211
Balance, at 31 December	**-**	**-**	**15,321,211**	**15,321,211**

	Stage 1	Stage 2	Stage 3	Total
31 December 2022				
Balance at 1 January	-	-	-	-
Decrease in allowances for credit losses on other assets	-	-	(14,883,906)	(14,883,906)
Balance, at 31 December	**-**	**-**	**(14,883,906)**	**(14,883,906)**

23. Property and Equipment

	2023	2022
Right-of-use assets (i)	**19,724,374**	23,780,227
Property and Equipment (ii)	**53,856,332**	48,559,149
Carrying amount	**73,580706**	72,339,376

The Bank previously classified leases as operating and finance leases based on its assessment of whether the lease transferred substantially all the risks and rewards of ownership of the underlying asset to the Bank. Under IFRS 16, the Bank recognises right-of-use assets and lease liabilities as part of "property and equipment" and "other liabilities respectively.

(i) Right of use assets	2023	2022
Balance - 1 January	**46,312,497**	42,897,550
New lease contracts	**2,121,943**	3,414,947
Balance - 31 December	**48,434,440**	46,312,497
Amortisation		
Balance - 1 January	**22,532,270**	16,225,701
Amortisation charge for the year	**6,177,796**	6,306,569
Balance - 31 December	**28,710,066**	22,532,270
Carrying amount		
Balance 31 December	**19,724,374**	23,780,227

Notes to Financial Statements

All amounts are expressed in Ghana cedis unless otherwise stated)

23. (ii) Property and Equipment

31 December 2023	Land and buildings	Leasehold improvements	Office fittings and equipment	Motor vehicles	Computers	Capital work in progress	Total
Cost							
At 1 January	3,751,318	15,808,422	26,467,576	5,930,557	20,683,422	12,859,091	85,500,386
Additions	-	357,348	2,572,047	1,350,003	4,177,719	5,336,797	13,793,914
Disposal	-	(129)	(444,985)	(29,452)	(164,482)	-	(639,048)
At 31 December	**3,751,318**	**16,165,641**	**28,594,638**	**7,251,108**	**24,696,659**	**18,195,888**	**98,655,252**
Accumulated Depreciation							
At 1 January	678,237	6,907,564	16,824,495	5,880,191	6,650,750	-	36,941,237
Charge for the year	85,658	1,055,137	3,248,737	296,998	3,801,648	-	8,488,178
Transfers to intangible assets	-	(129)	(436,432)	(29,452)	(164,482)	-	(630,495)
At 31 December	**763,895**	**7,962,572**	**19,636,800**	**6,147,737**	**10,287,916**	**-**	**44,798,920**
Net book value	**2,987,423**	**8,203,069**	**8,957,838**	**1,103,371**	**14,408,743**	**18,195,888**	**53,856,332**

There was no indication of impairment of property and equipment held by the Bank at 31 December 2023 (2022: Nil). None of the property and equipment of the Bank had been pledged as security for liabilities and there were no restrictions on the title of any of the Bank's property and equipment at the reporting date and at the end of the previous year.

Notes to Financial Statements

All amounts are expressed in Ghana cedis unless otherwise stated)

23. Property and Equipment (continued)

31 December 2022	Land and buildings	Leasehold improvements	Office fittings and equipment	Motor vehicles	Computers	Capital work in progress	Total
Cost							
At 1 January	3,751,318	14,104,261	21,116,396	6,187,037	8,786,981	14,741,218	68,687,211
Additions	-	1,706,426	5,591,574	16,251	10,554,391	71,564	17,940,206
Disposal	-	(2,265)	(433,448)	(272,731)	(73,566)	-	(782,010)
Transfers between classes	-	-	123,005	-	1,407,324	(1,827,316)	(296,987)
Transfers to intangible assets	-	-	70,049	-	8,292	-	78,341
Write offs	-	-	-	-	-	(126,375)	(126,375)
At 31 December	**3,751,318**	**15,808,422**	**26,467,576**	**5,930,557**	**20,683,422**	**12,859,091**	**85,500,386**
Accumulated Depreciation							
At 1 January	599,115	6,002,159	14,562,462	5,930,817	4,876,413	-	31,970,966
Charge for the year	79,122	907,670	2,623,554	222,105	1,839,612	-	5,672,063
Transfers to intangible assets	-	(2,265)	(431,570)	(272,731)	(73,566)	-	(780,132)
Transfers between classes	-	-	-	-	-	-	-
Transfers to intangible assets	-	-	70,049	-	8,291	-	78,340
Write offs	-	-	-	-	-	-	-
At 31 December	**678,237**	**6,907,564**	**16,824,495**	**5,880,191**	**6,650,750**	**-**	**36,941,237**
Net book value	**3,073,081**	**8,900,858**	**9,643,081**	**50,366**	**14,032,672**	**12,859,091**	**48,559,149**

All amounts are expressed in Ghana cedis unless otherwise stated)

23. Property and equipment (continued)

The profit on disposal is as follows:

	2023	2022
Cost	**639,048**	782,010
Depreciation	**(630,495)**	(780,132)
Net book value	**(8,553)**	(1,878)
Proceeds	**46,489**	115,851
Profit on disposal	**37,936**	113,973

24. Intangible assets

Intangible assets represent computer software purchased by the Bank. The movement during the year is as follows:

	2023	2022
Cost		
At 1 January	**6,723,803**	5,717,124
Additions	**595,209**	709,692
Transfer to property and equipment	**-**	296,987
At 31 December	**7,319,012**	6,723,803
Amortisation		
At 1 January	**4,672,717**	4,061,020
Charge for the year	**782,668**	611,697
At 31 December	**5,455,385**	4,672,717
Net book value	**1,863,627**	2,051,086

25. Customer deposits

Analysis by type of customer		
Savings deposits	**481,021,744**	375,195,809
Demand and call deposits	**3,385,406,518**	2,864,587,068
Fixed deposits	**2,472,022,738**	1,496,468,734
	6,338,451,000	4,736,251,611
Current	**6,338,281,192**	4,598,158,364
Non-current	**169,808**	138,093,247
	6,338,451,000	4,736,251,611
Analysis by sector		
Retail customers	**1,642,223,390**	1,434,982,516
Corporate customers	**4,696,227,610**	3,301,269,095
	6,338,451,000	4,736,251,611

All amounts are expressed in Ghana cedis unless otherwise stated)

26. Deposits from banks

	2023	2022
From local banks	-	72,940,071
From foreign banks	-	-
	-	72,940,071

All deposits from banks are current.

27. Other liabilities

Financial liabilities		
Accounts payable	**34,252,095**	18,914,905
Customers' deposits for foreign trade (i)	**22,440**	85,733,381
Foreign cheques for collections	-	-
Sundry liabilities (ii)	**5,797,380**	4,444,241
Lease liabilities (iv)	**41,866,607**	18,327,283
	81,938,522	127,419,810
Non-financial liabilities		
Accrued expenses	**119,457,601**	73,937,659
Provisions for legal claims	**6,464,699**	2,687,220
Deferred income	**5,642,146**	3,884,684
Allowance for credit loss on contingents (iii)	**2,362,730**	1,674,544
	133,927,176	82,184,107
Total	**215,865,698**	209,603,917
Current	**173,999,091**	191,276,635
Non- current	**41,866,607**	18,327,282
	215,865,698	209,603,917

(i) Customers' deposit for foreign trade represents funds held to cover letter of credit transactions.

(ii) Items under sundry liabilities include banker's drafts and managers cheques, outstanding inward remittance and withholding tax payable.

(iii) This represents allowance for credit loss for off balance sheet loan commitments and financial guarantees.

(iv) Lease liabilities represent the present value of the remaining lease payment for the bank's leases discounted using the Bank's incremental borrowing rate. The movement in lease liabilities during the year is as follows:

Lease liabilities	2023	2022
Balance - 1 January	**18,327,282**	21,916,605
Additions /(Reversals)	**30,881,728**	3,581,802
Repayments during the year	**(9,227,030)**	(8,784,535)
Interest accrued	**1,884,627**	1,613,411
Balance - 31 December	**41,866,607**	18,327,283

All amounts are expressed in Ghana cedis unless otherwise stated)

28. Stated capital

	2023	2022
Issued :		
Authorised Shares (number)	**9,000,000,000**	9,000,000,000
Issued shares (number)	**7,400,500,000**	7,400,500,000
Share capital (in GHS)	**400,000,000**	400,000,000

The movement in the issued shares account during the year is as follows:

Number of shares in issue at the start of the year	**7,400,500,000**	7,400,500,000
Additional number of shares from bonus issue	**-**	-
Number of shares in issue at the end of the year	**7,400,500,000**	7,400,500,000

29. Reserves

a. Statutory reserve

Statutory reserve represents transfer of 25% of profit after tax to reserve in compliance with Bank of Ghana's regulatory requirement. The statutory reserve is not distributable.

b. Income surplus

This is the carried forward recognised income out of expenses plus current year's profit attributable to shareholders.

c. Fair value reserves

This includes the net cumulative change in the fair value of investments at fair value through other comprehensive income. Such fair value charges are maintained until the investment is derecognised or impaired.

	2023	2022
At 1 January	**-**	13,612
Net change in fair value during the year (net of tax)	-	-
Net amount transferred to income statement	-	(13,612)
	-	-

The investments revaluation reserve represents the cumulative gains and losses arising on the revaluation of Investments in debt instruments classified as at FVTOCI, net of cumulative loss allowance recognised on these investments and cumulative gain/loss reclassified to profit or loss upon disposal or reclassification of these investments.

30. Contingent liabilities and commitments

a. Legal proceedings

There were legal cases proceeding against the Bank at 31 December 2023. Provision of GHS 6,464,699 (31 December 2022: GHS 2,223,315) was made in respect of these cases, no contingent liability associated with legal actions has been disclosed as professional advice indicates that it is unlikely that any significant loss will arise.

All amounts are expressed in Ghana cedis unless otherwise stated)

30. Contingent liabilities and commitments (continued)

b. Loan commitments, guarantee and other financial facilities

At 31 December 2023 the Bank had contractual amounts of off-balance sheet financial instruments that commit the Bank to extend credit to customers, guarantee and other facilities as follows:

	2023	2022
Letters of credit	**117,253,686**	325,762,430
Guarantees and indemnities	**1,487,580,390**	810,839,621
Loan commitments	**17,098,604**	75,499552
Gross amount	**1,621,932,680**	1,212,101,603
Allowance for credit losses	**(2,362,730)**	(1,674,544)
Carrying amount	**1,619,569,950**	1,210,427,059

Letters of credit commit the Bank to make payments to third parties, on production of documents, which are subsequently reimbursed by customers.

31. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. The Bank is a subsidiary of UBA Plc which owns 90.77% of the issued ordinary shares. UBA Plc is also the ultimate controlling party of the Bank. All transactions with related parties are done in the normal course of business and at arm's length.

Details of related party balances are as follows:

	2023	2022
Assets		
Loans to key management staff	**3,425,528**	2,831,619
Placements with UBA Plc and other subsidiaries/associates	**231,675,444**	135,615,600
Nostro balances with UBA Plc and other subsidiaries/associates	**217,562,456**	50,583,838
Total	**452,663,428**	189,031,057
Interest income - key management staff	**43,135**	113,579
Interest income on placements with UBA Plc and its subsidiaries/associates	**11,537,245**	7,243,970
	11,580,380	7,357,549
Liabilities		
Deposits from key management staff	**2,123,712**	1,526,334
Due to Parent (UBA Plc)	**101,577,945**	67,505,173
Deposits from UBA Plc and subsidiaries/associates	**-**	-
Total	**103,701,657**	69,031,507

All amounts are expressed in Ghana cedis unless otherwise stated)

31. (i) Related party transactions (continued)

	2023	2022
Interest expense on takings from UBA Plc and its subsidiaries/associates	**550,741**	157,167
Other expenses	**67,505,173**	67,505,173
	68,055,914	67,662,340

Details of placements account balances with related parties for the year

Sn	Name of related party	Nature of relationship	Amount
1	UBA PLC	Parent	23,775,444
2	UBA CIV	Affiliate	83,160,000
3	UBA Tanzania	Affiliate	124,740,000
	Total		**231,675,444**

Details of nostro account balances with related parties for the year

Sn	Name of related party	Nature of relationship	Amount
1	UBA PLC	Parent	212,412,732
2	UBA Benin	Affiliate	4,245
3	UBA Cote D' Ivoire	Affiliate	1,644,274
4	UBA Burkina Faso	Affiliate	797,728
5	UBA Cameroon	Affiliate	2,702,622
6	UBA Gabon	Affiliate	489
7	UBA Congo Brazzaville	Affiliate	184
8	UBA Mali	Affiliate	74
9	UBA Chad	Affiliate	108
	Total		**217,562,456**

Loans and advances to directors

SN	Name of Client	Amount	Rate	Security	Status
1	Teachers' Fund	59,990,409	37.16%	Domiciliation	Performing
2	Kweku A. Awotwi	297,000	8%	Domiciliation	Performing
	Total	**60,287,409**			

All amounts are expressed in Ghana cedis unless otherwise stated)

(ii) Key management compensation

Key management staff constitutes members of the Bank's Executive Committee. The remuneration of key management staff during the year were as follows:

	2023	2022
Salaries and other short-term employment benefits	**5,563,956**	6,038,909
Defined contribution for key management staff	**665,685**	461,182
	6,229,641	6,500,091
(iii) Directors' remuneration	**5,821,200**	5,016,960
Directors' fees and allowances	**5,821,200**	5,016,960

All amounts are expressed in Ghana cedis unless otherwise stated)

The total amount paid as emoluments to Executive and Non-Executive Directors, during the 2022 financial year is as disclosed below:

SN	Name	Designation	Annual Fees	Sitting allowances	Salaries and Wages	Pension contributions	Other Benefits	Total
1	Mr. Kweku Awotwi	Board Chairman	415,800	415,800	N/A	N/A	N/A	831,600
2	Mr. Chris Ofikulu	Managing Director	N/A	N/A	3,360,734	411,354	100,858	3,872,946
3	Mr. Uzoechina Molo-kwu	Executive Director	N/A	N/A	2,040,000	251,430	48,844	2,340,274
4	Mrs. Sylvia Inkoom	Executive Director	N/A	N/A	24,011.71	2,901	13,520	16,421
5	Ebele Ogbue	Non-Executive Direc-tor	356,400	356,400	N/A	N/A	N/A	712,800
6	Abiola Bawuah	Non-Executive Direc-tor	356,400	356,400	N/A	N/A	N/A	712,800
7	Ivan Avereyireh	Non-Executive Direc-tor	356,400	356,400	N/A	N/A	N/A	712,800
8	Francis Koranteng	Non-Executive Direc-tor	356,400	356,400	N/A	N/A	N/A	712,800
9	Samuel Ayim	Non-Executive Direc-tor	356,400	356,400	N/A	N/A	N/A	712,800
10	Jerry Djangmah	Non-Executive Direc-tor	356,400	356,400	N/A	N/A	N/A	712,800
11	Foster Buabeng	Non-Executive Direc-tor	356,400	356,400	N/A	N/A	N/A	712,800
	Total		**2,910,600**	**2,910,600**	**5,424,746**	**665,685**	**163,222**	**12,050,841**

**Fees and sitting allowances for these Non-Executive Directors are paid directly to UBA Plc.*

32. Events after the reporting date

There were no events after the reporting date that affect the 2023 financial statements.

In 2023, Ghana's cumulative 3-year average inflation exceeded 100% which triggered the quantitative hyperinflation criteria in IAS 29. The Institute of Chartered Accountants Ghana (ICAG) performed this assessment using the various criteria in IAS 29 and concluded in its directive issued in January 2024 that IAS 29 will not be applicable for the December 2023 financial reporting period since Ghana is not operating in a hyperinflationary economy. This conclusion has been applied as part of the key accounting judgements used in the preparation of these financial statements.

33. Compliance with prudential regulations

During the year, the Bank generally complied with all prudential regulations as stipulated by the Bank of Ghana.

34. Restatement of Comparative Financial Information

There were no reclassifications of comparative financial information during the current year.

Other disclosures

1. Shareholder information 2022

Shareholders	Shareholding	% holding
United Bank For Africa Plc	**6,717,200,750**	90.77%
Gold Coast Investment Project Ltd	**497,640,214**	6.72%
Teachers Fund	**149,877,056**	2.03%
Unique Insurance Co Ltd	**22,733,318**	0.31%
Labour Enterprises Trust Co. Ltd	**13,048,662**	0.18%
Totals	**7,400,500,000**	100%

2. Quantitative disclosures

	2023	2022
Capital adequacy ratio	**15.0%**	20.2%
Liquid ratio	**75.8%**	75.4%
Gross non-performing loans ratio	**24.7%**	15.8%

3. Value Added Statement

	2023	2022
Interest and other operating income	**1,178,597,120**	873,983,132
Direct cost of services	**(483,495,710)**	(375,185,788)
Value added by banking services	**695,101,410**	498,797,344
Non-banking income	**85,053,878**	97,406,450
Impairments	**(384,075,804)**	(406,630,830)
Value added	**396,079,484**	189,572,964
Distributed as follows:		
To employees:		
Directors (excluding executives)	**5,821,200**	5,016,960
Executive directors	**6,253,653**	3,156,417
Other employees	**92,585,452**	77,597,439
	104,660,305	85,770,816
To government:		
Income taxes	**100,127,745**	31,617,645
To providers of capital:		
To expansion and growth		
Depreciation	**14,666,137**	11,978,632
Amortisation	**782,668**	611,697
	15,448,805	12,590,329
	175,842,629	59,594,174

Other disclosures (continued)

4. Related parties

The Bank is a subsidiary of UBA Plc which owns 90.77% of the issued ordinary shares. UBA Plc is also the ultimate controlling party of the Bank. As a result, the parent (UBA PLC) all subsidiaries/associate within the UBA Group are related parties to UBA Ghana. The list of the related parties are as follows:

Sn	Name of related party	Nature of relationship
1	UBA PLC	Parent
2	UBA Liberia	Affiliate
3	UBA Cote D' Ivoire	Affiliate
4	UBA Senegal	Affiliate
5	UBA Kenya	Affiliate
6	UBA Guinea	Affiliate
7	UBA Gabon	Affiliate
8	UBA Benin	Affiliate
9	UBA Sierra Leone	Affiliate
10	UBA Burkina Faso	Affiliate
11	UBA Chad	Affiliate
12	UBA Uganda	Affiliate
13	UBA Congo Brazzaville	Affiliate
14	UBA Mozambique	Affiliate
15	UBA Cameroon	Affiliate
16	UBA Mali	Affiliate
17	UBA Tanzania	Affiliate
18	UBA Congo DRC	Affiliate
19	UBA Zambia	Affiliate
20	UBA UK	Affiliate
21	UBA New York	Affiliate
22	UBA Paris	Affiliate

Other disclosures (continued)

b. Key Management Personnel

Key Management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of UBA Ghana (directly and indirectly) and comprise the Executive Directors and Senior Management of the Bank. The list of key management personnel as at the end of the year were:

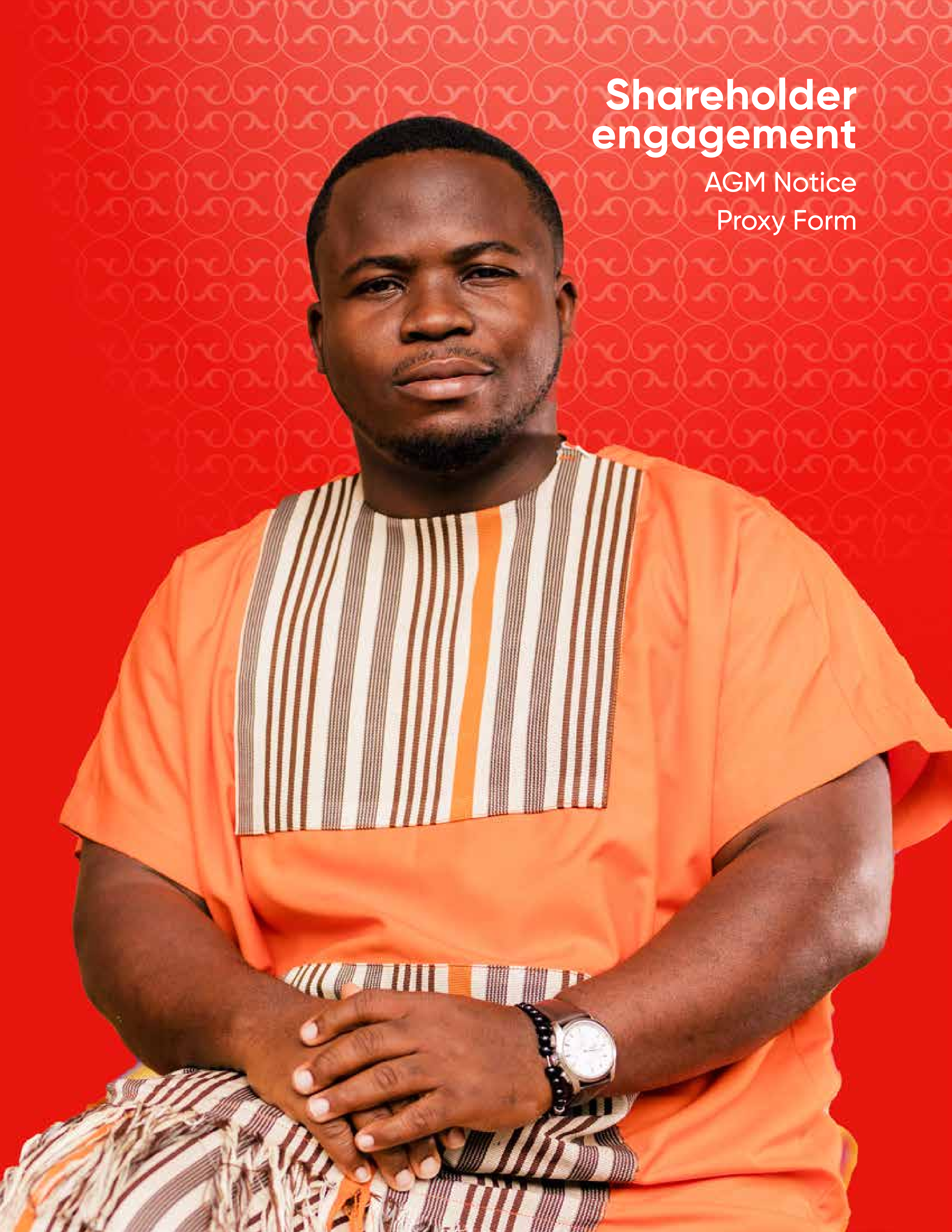
No	Key Management Personnel	Designation
1	Mr. Uzoechina Molokwu	MD/CEO
2	Mr. Felix Ugbebor	Chief Operating Officer
3	Mr. Kenneth Owusu Asante Amponsah	Chief Risk Officer
4	Mr. Muftau Abdulai	Chief Finance Officer
5	Mr. Ajimotokan Adebolanle	Country Chief Inspector
6	Mrs. Evelyn Effie Quansah	Country Head of Human Resources
7	Mr. Evans Amenyo Sallah	Country Head, Internal Control
8	Mr. Peter Dery	Head, Retail Banking
9	Mr. Philip Odoom	Head, Compliance/AMLRO
10	Henry Nii Dottey	Head Marketing and Corporate Communications
11	Mr. Emmanuel Sackey	Treasury
12	Mrs. Rita Mills Robertson	Head of Public Sector/ Intuitional Banking

Transactions with related parties are disclosed in the Note 31 of the financial statements.

Shareholder engagement

AGM Notice

Proxy Form



NOTICE OF 2024 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of United Bank for Africa Ghana Ltd will be held at 10:00 am prompt on Wednesday, April 17, 2024 at the Marriott Hotel, Accra to transact the following business:

Ordinary Business

1. To receive the Audited Accounts for the year ended 31st December 2023 together with the reports of the Directors and Auditors thereon.
2. To retire/elect/re-elect Non-Executive Directors
3. To authorize the Directors to fix the remuneration of the Auditors.
4. To transact any other business to be dealt with at an Annual General Meeting.

Thank you.
By Order of the Board

A proxy form is enclosed.

United Bank for Africa (Ghana) Ltd
Heritage Tower, Ambassadorial Enclave, Ridge P.M.B 29, Ministries, Accra, Ghana
Board Chairman: Mr. Kweku Awotwi, Managing Director/CEO: Mr. Uzoechina Molokwu
Directors: Mrs. Abiola Bawuah, Mr. Ebele Ogbue, Mr. Jerry Djangmah, Mr. Ivan Avereyireh,
Mr. Samuel Ayim, Mr. Francis Koranteng, Mr. Foster Buabeng
Tel: +233 302 624 060 Email: cfcghana@ubagroup.com
www.ubagroup.com

PROXY FORM

ANNUAL GENERAL MEETING to be held at 1.00am on Wednesday, April 17, 2024 at Mariott Hotel,, Accra.

I/We .... being a member of United Bank for Africa (Ghana) Limited hereby appoint .... or failing him/her the Chairman of the meeting as my/our Proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on April 17, 2024.

Signed this .... day of .... 2024.

....

Shareholder's signature/Common Seal

No.	Resolutions from the Board	For	Against
1.			
2.			
3.			
4.			
5			
6			
7			

Please indicate with an "X" in the appropriate square how you wish your votes to be cast on the resolutions set out above. Unless otherwise instructed the proxy will vote or abstain from voting at his/her discretion.

THIS PROXY FORM SHOULD NOT BE SENT TO THE SECRETARY IF THE MEMBER WILL BE ATTENDING THE MEETING.

Notes.

1. A member (Shareholder) who is unable to attend the Annual General Meeting is allowed by law to vote by proxy. The above Proxy Form has been prepared to enable you to exercise your vote if you cannot personally attend.
2. Provision has been made on the Form for the Chairman of the meeting to act as your proxy, but if you wish, you may insert in the blank space marked "name of the proxy" the name of any person whether a Member of the Company or not, who will attend the Meeting and vote on your behalf instead of the Chairman of the Meeting.
3. If executed by a Company/Trust, the Proxy Form should bear its Common Seal or be signed on its behalf by a Director/Trustees of the Company/Trust.
4. Please execute the Proxy Form and deliver it so as to reach the Company Secretary not later than 10.00am on Wednesday, April 17, 2024.


UBA
United Bank for Africa
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Transfer
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Pay bills
Easy like Sunday morning
with UBA by your side.

Corporate information

International Offices
Branch Network
Products & Services
ATM Directory

Corporate Information

Board of Directors

Mr. Kweku Awotwi	Board Chairman
Mr. Chris Ofikulu	Managing Director/Chief Executive Officer (Resigned on January 08, 2024)
Mr. Uzoechina Molokwu	Deputy Managing Director (Appointed as MD/CEO on February 21, 2024)
Mr. Ebele Ogbue	Non-Executive Director
Mrs. Abiola Bawuah	Non-Executive Director
Mr. Foster Buabeng	Non-Executive Director
Mr. Samuel Ayim	Independent Director
Mr. Ivan Avereyireh	Independent Director
Mr. Francis Koranteng	Independent Director
Mr. Jerry Djangmah	Independent Director

Company Secretary

UBA Ghana Legal Department
Heritage Towers,
Ambassadorial Enclave, Ridge
PMB 29, Ministries
Accra

Auditor

Deloitte & Touche
Chartered Accountants
The Deloitte Place, Plot No 71
Off George Walker Bush Highway
North Dzorwulu
Box GP 453, Accra
Ghana

Bankers

United Bank for Africa Plc
UBA House 14th floor
57, Marina
P.O. Box 2406
Lagos- Nigeria

Citibank New York.
Citibank N. A, 111 Wall Street
NY 10043
New York, US

Coris Bank
Quartier Beniglato Lome
01 BP 4032 Lome Togo

Registered Office

United Bank for Africa (Ghana) Ltd.
Heritage Towers,
Near Cedi House,
Ambassadorial Enclave,
Off Liberia Road,
PMB 29, Ministries
Accra

International Offices

UBA America
1 Rockefeller Plaza, 8th Floor
New York, NY 10020
USA

United Bank for Africa
Representative Office in France
Tour Egée 9-11 allée de l'Arche
92400 Courbevoie - Paris La Défense

Business Offices Network

GREATER ACCRA

CORPORATE BUSINESS OFFICE
Address: Heritage Tower, Ambassadorial Enclave, Near Cedi House, Off Liberia Road, Ridge.
Tel.: 0302680094 / 0302681224 / 302681224 / 0302689000

LABONE
Address: Hse. No. 96B
Sithhole St., 5th
Circular Road – Opp. Bosphorus Restaurant & Café, Labone
Tel.: 0302 783015 / 6 / 782234

ABEKA LAPAZ
Address: Abeka Lapaz,Akro-Gate Towers, Off Akweteyman, Lapaz Road, Accra - Ghana
Tel.: 03024 14474 / 407547 / 416682

ABOSSEY OKAI
Address: Urban Rose Plaza,13
Winneba road, Pamprom Traffic Light, Abossey Okai
Tel.: 0289 555189 / Fax.: 302661108

ACCRA CENTRAL
Address: No. 507 Cerby Avenue,
White Chapel Building, Okaishie
Tel.: 0302 674085 / 674056 / 674112 / 674099 / 89

KANTAMANTO
Address: Tarzan Building Complex, Kantamanto
Tel.: 0302 681319 / 674112

RING ROAD CENTRAL
Address: Ring Road,
Opposite Swiss School
Tel.: 0302 246066 / 8

NORTH INDUSTRIAL AREA
Address: NIA No. 612
Dadeban Road NTC
Tel.: 0302 2581778 / 257177 / 258177

ACHIMOTA
Address: Achimota Banking Farm,
Mile 7, ABC Junction
Tel.: 0303- 976099/ 0303976100

AIRPORT
Address: 59 Patrice Lumumba Road,
Airport Residential Area.
Tel.: 0302 766172 / 3

DZORWULU
Address: No. 47 Blohum Street, Near Medi-fem Clinic, Dzorwulu
Tel.: 0302 774038

EAST LEGON - AMERICAN HOUSE
Address: 4 Boundary Road East Legon,
(Near America House)
Tel.: 0302 520497 / 8 / 520493

EAST LEGON - LAGOS AVENUE
Address: Plot 85, Lagos Avenue, East Legon
(Adjacent Mensvic Hotel)
Tel.: 0289 532533 / Fax.: 509038072

MADINA
Address: Hollywood Shopping Complex - REDCO, Madina
Tel.: 0302 520770 / 4 / 520778 / 9 / 0201352992
Fax.: 302520772

TESHIE
Address: Lascala junction,Near KAIPC,Teshie
Tel.: 0289549669 / 0289549889

SPINTEX
Address: 120B Spintex Road, Agapet Filling Station
Tel.: 0289 549821 / 0289 549838

TEMA COMMUNITY 4
Address: Konadu Shopping complex, Near Chemu Sec School, Comm. 4
Tel.: 03032 00847

TEMA COMMUNITY 1
Address: Greenwich Tower, Opp. former Black Star Line, Meridian Road,Community
Tel.: 03032 12162 / 65
Fax.: 303212180

ASHAIMAN BUSINESS OFFICE
Address: Opposite Ashaiman Police Station, adjacent Melcom
Ashaiman
+233 27 000 7942

ASHANTI

KEJETIA MARKET BUSINESS OFFICE
Kumasi Central Market
Ak-017-5777
0577704012

ADUM
Plot 2, Block II A Palace Road,
OTA Adum-Kumasi
Tel.: 03220 41006 / 8

KEJETIA
Opposite Unicom House,Kumasi Station,Kejetia, Kumasi
Tel.:03220 43898
Fax.: 322043898

ALABAR
ZE 66 Manhyia Road, Alabar - Kumasi
Tel.: 03220 31130

TANOSO
University of Education-Winneba
(Kumasi campus)
Tel.: 03220 52490 / 52495 / 52489

SUAME
Address: Plot 3 Block A, Suame Takwa Layout
Tel.: 03220 49101 / 3

KNUST
Opp. Old administration block,
KNUST campus, Kumasi
Tel.: 03220 64400
Fax.: 322064403

VOLTA

AFLAO
Aflao Border, Exit gate,
Southern–end, Aflao
Tel.: 0362099821 / 036099822
fax.: 96230906

WESTERN

TAKORADI
Address: No. 52/1 John Sarbah Road,
Former BHC Building, Market Circle.
Tel.: 03120 26330 / 26437 / 25787

TARKWA
Address: St. Matthew Catholic Church,
Obuoso Road, Tarkwa.
Tel: 0312 292952/

NORTHERN

TAMALE
Address: Ward M, Plot C4, North Lamashegu Res. Area.
Tel: 0372099002

Products & Services

SAVINGS ACCOUNT

1. KIDDIES ACCOUNT

A trust account designed for parents or guardians with children between ages 0-12 years who intend to save for short/ long term goals

Benefit/Features

- •Opening & Operating balance of GHS10
- •Attractive Interest rate of 4% P.A
- •Allows lodgment of cheques and dividend s
- 13th Month reward (10% of the monthly saving plan amount) when constant maintenance of standing order above GHC1000 for 12 months

2. TEENS ACCOUNT

UBA Teen Account is a trust account designed and structured to appeal to students who are enrolled in Junior and Senior Secondary School; particularly demographics between 13 to 17 yearsBenefits/Features

- GHS15 Minimum Opening Balance
- GHS 50 Minimum Opening Balance
- Interest rate of 3%
- Introduction to Financial Literacy/ children lub membership (UBA Learn)
- Opportunity for Internship with the Bank subject to vacancy

3. UBA NEXT-GEN

UBA Next-Gen Account is a liability product designed and structured to appeal to the students in Tertiary Institution between the ages of 18 and 25 in order for them to maintain a relationship with the bank.

Benefits/Features

- GHS 20 Minimum Operating Balance
- Interestrate of 3%
- Opportunity for Internship with the Bank subject to vacancy
- Member of UBA Campus Ambassador club
- Benefit from group mentorship programs in high schools, universities etc

4.UBA BUMPER

A hybrid of a savings and current account which gives the customer the desired benefits derived from both accounts.

Benefits/Features

- GHS 100 Minimum Opening Balance
- GHS 50 Minimum Operating Balance
- Interest rate of 5.5%
- Cheque book on request

5. UBA TARGET

Targeted account that helps customer plan towards a project. Customer can enjoy high interest rate of up to 4.5% p.a, while having unlimited access to funds.

Benefits/Features

- GHS 1,000 Minimum Opening Balance
- GHS 1,000 Minimum Operating Balance
- Interest rate Band
- GHS1,000-GHS10,000 = 3%
- GHS10,001-GHS50,000 = 3.5%
- GHS50,001 – GHS100,000 = 4%
- GHS100,001 and above = 4.5%

6. EMPLOYEE SAVINGS ACCOUNT

The UBA Employee account is a salaried savings account designed for an efficient salary/pay roll administration for organizations. This is designed for employees in the private and public sectors of the economy.

Benefits/Features

- Zero account opening balance
- Minimum operating balance of GHS 20
- Minimum balance of GHS 50 attracts interest of 3% p.a
- Ease of conversion to a regular savings account upon request or on separation from place of employment.

7. BUSINESS SAVINGS ACCOUNT

The UBA Business Savings account is a savings account designed for all Corporate account holders to build Funds.

Benefits/Features

- Zero account opening balance
- Minimum operating balance of GHS 20
- 3% interest rate
- Minimum balance of GHS 50 attracts interest

8. SAVINGS FOR SOCIETIES AND CHURCHES

The UBA Savings account for churches and societies is a savings account designed for non-profit making organizations that are limited by guarantee.

Benefits/Features

- Minimum operating balance of GHS 20
- Minimum balance of GHS 50 attracts interest
- 3% interest rate

CURRENT ACOUNTS

1. LION PRIME ACCOUNT

Lion Prime product is a zero COT and remunerated current account designed to meet the needs of customers who desire to maximize returns on their accounts.

A) LION PRIME INDIVIDUAL ACCOUNT

Benefits/Features

- Opening/operating balance of GHS3,000.00
- Free 1st Cheque book
- Zero COT charge if average monthly balance is GHS3,000.00 and above
- Zero Account Maintenance charge
- Default COT bands for individuals to apply if average monthly balance goes below GHS3,000.00 or customers make more than 10 withdrawals in a month (COT cycle) – For individual accounts and
- Withdrawals from electronic channels excluded from max of 10 withdrawal count. i.e. ATM, U-Direct, U-Direct Corporate & U-Mobile
- Interest: 1% p.a. interest rate is payable where the average balance of GHS3,000.00 is maintained.
- Access to credit facilities and all e-banking channels

B) LION PRIME CORPORATE

Benefits/Features

- Opening/operating balance of GHS10,000.00
- Interest payment of 1% on balance above GHS10,000.00
- Free 1st Cheque book
- Zero COT charge if average monthly

balance is GHS10,000.00 and above
- Default COT bands for individuals to apply if average monthly balance goes below GHS10,000.00 or customers make more than 10 withdrawals in a month (COT cycle) – For Corporate accounts
- Zero Account Maintenance Charge
- Withdrawals from electronic channels excluded from max of 10 withdrawal count. i.e. ATM, U-Direct, U-Direct Corporate & U-Mobile
- Interest: 1% p.a. interest rate is payable where the daily minimum balance of GHS10,000.00 is maintained

2. RUBY ACCOUNT

Ruby current account is a gender specific product designed for discerning women so as to satisfy some of their special business and personal needs.

a) Ruby Premium
- Zero COT (Subject to maintaining the minimum balance)
- Attractive interest rate of up to 6% for balances above GHS 20,000
- Access to consumer credit facilities (terms apply)
- Discount on services offered by various Ruby partner outlets
- Free e-Banking channels enrolment - Internet Banking and Alert services
- Customized Ruby account cheque book and Debit Card

b) Ruby Classic
- Zero COT (Subject to maintaining the minimum balance)
- Attractive interest rate of up to 5% for balances above GHS 20,000
- Cash collateralized loans for up to 80% of account balance
- Access to consumer credit facilities (terms apply)
- Free e-Banking channels enrolment - Internet Banking and Alert services
- Customized Ruby account cheque book and Debit Card

3. LIMITED LABILITY ACCOUNT

The Limited Liability Company Account is a current Business Account for Limited Liability public and private sector companies.

Benefits/Features
- Minimum opening balance of GHS 50
- Allows direct debit instruction
- Third party transaction allowed
- Cheque book at a fee
- Access to all digital banking products
- COT of 1.5/mille (GHS1.5 for every 1,000 withdrawal)

4. PARTNERSHIP ACCOUNT

The Partnership Account is a corporate account opened for partnerships in which both partners have an equal interest in the business.

Benefits/Features
- Minimum opening balance of GHS 50
- Allows direct debit instruction
- Third party transaction allowed
- Cheque book at a fee
- Access to all digital banking products
- COT of 1.5/mille (GHS1.5 for every 1,000 withdrawal)

5. SOLE PROPRIETORSHIP ACCOUNT

The sole proprietorship account is a current account designed for small scale businesses(sole ownerships)

Benefits/Features
- Minimum opening balance of GHS 50
- Allows direct debit instruction
- Third party transaction allowed
- Cheque book at a fee
- Access to all digital banking products
- COT of 1.5/mille (GHS1.5 for every 1,000 withdrawal)

6. DIASPORA ACCOUNT

The Home Account is an account which enables Ghanaians living in the African diaspora to control their finances at home.

a) Diaspora Savings Account
Benefits/Features
- One free home transfer per month from Expatriate account to Diaspora
- Free debit card
- Access to UBA global network
- Zero Opening/operating balance
- Interest rate of 3% p.a

b) Diaspora Savings Account

Benefits/Features
- One free home transfer per month from Expatriate account to Diaspora
- Free debit card
- Access to UBA global network
- Zero Opening/operating balance
- Allows direct debit instruction
- Third party transaction allowed
- Cheque book at a fee
- Access to all digital banking products
- COT of 1.5/mille (GHS1.5 for every 1,000 withdrawal)

7. UBA BUSINESS ACCOUNT

The UBA Business Account offers a low-cost current account alternative to MSMEs by incentivizing them to route all their business lodgments and turnovers through the account without being penalized with the industry-wide debit turnover–based Account Maintenance Charge.

a) SME Micro
Benefits/Features
- GHS 1,000 Opening/operating balance
- Maximum COT charge of GHS 40
- Allows direct debit instruction
- Third party transaction allowed
- Cheque book at a fee
- Access to all digital banking products

b) SME Small
Benefits/Features
- GHS 2,000 Opening/operating balance
- Maximum COT charge of GHS 80
- Allows direct debit instruction
- Third party transaction allowed
- Cheque book at a fee
- Access to all digital banking products

c) SME Medium
Benefits/Features
- GHS 5,000 Opening/operating balance
- Maximum COT charge of GHS 100
- Allows direct debit instruction
- Third party transaction allowed
- Cheque book at a fee
- Access to all digital banking products

LOANS

1. Flexi Loan
Flexi Loan is a loan product for government workers who receive their salaries through the Controller and Accountant General's Department.
- Up to 36 months to repay full amount and interest

2. Personal Loan
It's a loan product the allows salaried workers of enlisted companies to access up to GHS 250,000.
- Up to 60 months to repay full amount and interest.


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with UBA prepaid card
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03/24
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cfcghana@ubagroup.com

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