# Our Strategy

## Truly British, Proudly African.

Since 1959, GHIB has been focused on providing a uniquely African Perspective to Global Market and International Finance, powered by the unparalleled capacity of the City of London as a global financial hub. GHIB ‘s success is based on the following affirmations. the GHIB strategic Intent is to become the UK’s Pan African Trade Bank, building wealth through trade for African Corporates, Sovereigns and Banks

### Our Vision

The vision of Ghana International Bank plc (“GHIB” / the “Bank”) is to create the most compelling U.K. trade bank focused on Africa.

### Our Mission

To accelerate wealth creation in Africa through the provision of specialised financial services by deploying scale and innovation for client success.

### Our Values

- Respect
- Integrity
- Collaboration
- Excellence

### Value Proposition

GHIB is primarily a Trade Bank. Our core area of expertise is Trade Finance. We have extended our expertise from this pivot and now have capacity in several ancillary value delivery areas.

# Our Business Model

## Established Legacy (Since 1959)

Originally a Ghana Commercial Bank branch in London, later incorporated as GHIB in 1998.

## Ownership and Governance

Owned by major Ghanaian financial institutions, with the Central Bank of Ghana as majority shareholder.

## Strategic Location

Over 60 years in London, serving Financial Institutions, Sovereign States, Corporates, SMEs, and the diaspora.

## Regulated & Trusted

Ghanaian-owned bank authorized by the UK PRA and regulated by the FCA & PRA, ensuring credibility in global finance.

## Core Business Areas

Trade Finance (Primary Focus)
Correspondent & Corporate Banking
Treasury & Transactional Banking
Africa-Global Gateway: Provides financial access, expertise, capital, and cross-border solutions for businesses operating in Africa.

## Global Presence

Head Office: London
Representative Office: Accra
Covers East & Central Africa remotely

# Key Performance Indicators (KPI's) and business review of the year 2024

GHIB's key measurements of effectiveness of its operation are profitability, return on equity, return on assets, cost to income, total assets, loan to deposit and net interest margin ratios. These performance indicators are inherent measures to the delivery of the Bank's strategy. There are no non-financial performance indicators that are considered key.

# Key Performance Indicators (KPI's)

## Profit / (loss) before Tax


**Profit before tax** – The Bank reported a profit of £5.8m in 2024, which is a significant improvement compared to the £4.3m profit in 2023. This increase was primarily driven by a substantial rise in operating income, which grew by £7.4m, representing a 19% increase. Operating expenses also increased by £4.4m, or 12%, as the Bank continued to invest in digital transformation and business growth.

## Cost / income ratio


**Cost / income ratio** – is the ratio of operating expenses to operating income, showing the percentage of income used to cover expenses. In 2024, operating income grew by £7.4m, or 19%, driven by an increase in interest income. Operating expenses rose by 12%, reaching £41.2m, up from £36.7m in 2023. Staff costs increased by 15% to £27.0m as the Bank invested in its workforce to support business growth.

## Post-tax return on equity


**Post-tax return on equity** – is calculated by dividing profit after tax by the average equity for the year. In 2024, average equity increased by 4.1% year-on-year, from £160.0m to £166.6m. Profit after tax saw a significant improvement, rising by 36.1% year-on-year, from £3.1m in 2023 to £4.2m in 2024. This increase in profit after tax outpaced the growth in average equity, leading to an overall improvement in the post-tax return on equity.

## Total assets


**Total assets** – are influenced by changes in liabilities and equity, particularly deposits. In 2024, total deposits increased by £248m, or 40%, year-on-year, with average deposits rising by 21.5% to £743m. Other liabilities grew by £24m, driven by an increase in trade finance deferred letters of credit. On the asset side, the majority of the increase was seen in Government and other securities, which rose from £119m to £366m.

## Post-tax return on assets


**Post-tax return on assets** – measures profit after tax against average assets on a monthly basis for the year. In 2024, average assets were £939.9m, which represents an 18.3% increase from the average of £794.3m in 2023. This metric indicates how effectively the Bank is using its assets to generate profit.

## Loan to deposit ratio


**Loan to deposit ratio** – is calculated by dividing total loans and advances (excluding deferred letters of credit or interbank money market placements) by deposits. In 2024, the ratio decreased by 7.5% compared to 2023, due to a significant rise in deposits. A lower ratio suggests that the Bank is not utilising its deposits as efficiently as it could, but a higher ratio would require strong liquidity management to ensure the Bank can meet its obligations.

## Total Revenue


**Total revenue** – is gross Operating income, which is calculated by adding back Interest expense and similar charges to Operating income. Total interest income saw a notable rise of £11.3m or 26%, driven by growth in the balance sheet. Deposits from Banks were up 74% to £619m in 2024. Total non-interest income increased by £2.4m, or 28%, largely due to growth in volumes of letters of credit and £1m of proceeds from insurance claims in 2024 (2023: nil).

## Net interest margin


**Net interest margin** – is the ratio of net interest income to average interest-earning assets during the year. In 2024, average interest-earning assets were £900.7m, an increase of 26.2% from £713.4m in 2023. Despite this increase, the net interest margin decreased by 0.4% year-on-year. This overall decrease in net interest margin were due to the significant rise in interest-earning assets, which outpaced the growth in net interest income, and the bonds invested were not high yielding, contributing to the lower net interest margin.

# The Right Trade Tools, in One Solution!


[redacted]

# Future Prospects

Our forward-looking strategy for business on the continent is primarily based on the trade finance gap in Africa, estimated to be between $80 to $100 billion. This gap provides significant opportunities and growth potential for the Bank.

In 2025, we will continue our strategy of driving growth by engaging with financial institutions and corporates, providing credit lines to facilitate trade. The coverage team will work closely with our integrated value propositions, onboarding, and correspondent banking due diligence team to ensure seamless integration of our partners into our ecosystem. The Bank will maintain its longstanding practice of upskilling capacity in the markets, investing in capacity and technical transfer to enhance the talent pools in our customer financial institutions.

Overall, we aim to build our trade finance capacity on the continent, creating mutually beneficial values through the transactions we execute and the ancillary opportunities they offer. The Bank will extend its transactional footprint into new markets by exploring partnerships with peer African-focused institutions and strengthening relationships with existing development finance and multilateral institutions.

A key pillar of our strategy is customer experience and fulfilment. We understand that sustainable market development and penetration efforts require excellence in this area. Therefore, another key component of our growth plan is to drive and ensure excellence, built on a deep core of customer centricity.

GHIB is confident that recent investments in technology will improve operational efficiency and resilience, ensuring sustained growth as the Bank deepens its interactions across various jurisdictions in Africa.
This confidence is bolstered by our value delivery formula, which treats each transaction in a bespoke manner. We believe that this approach, combined with our commitment to leveraging new processes and technology to ensure customer satisfaction, will lead to better outcomes for both our customers and the Bank.

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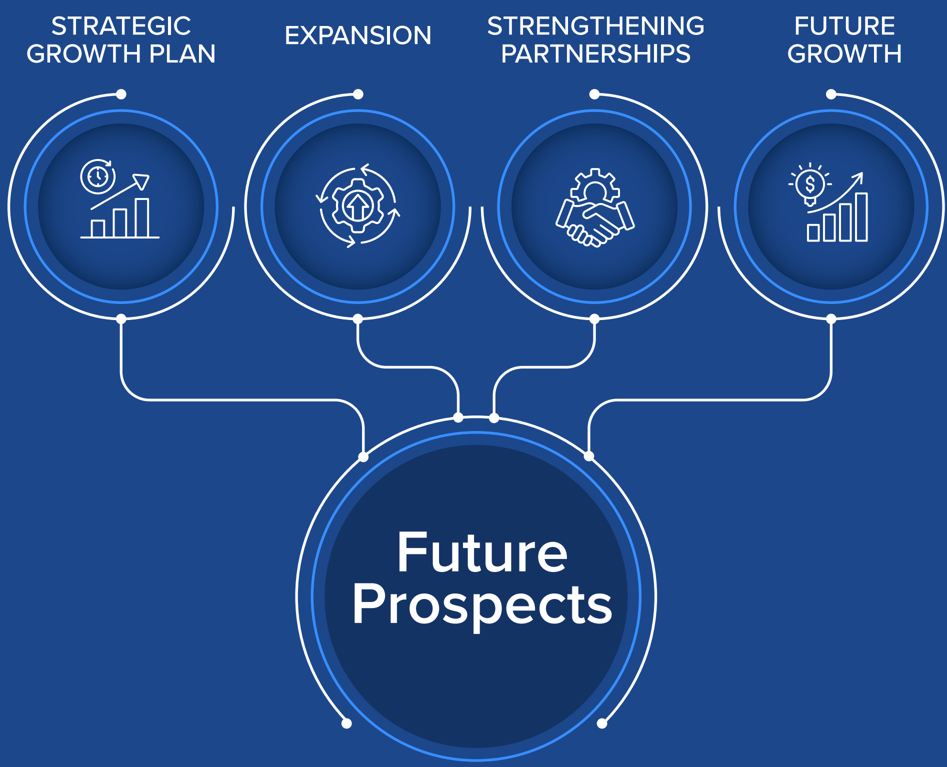
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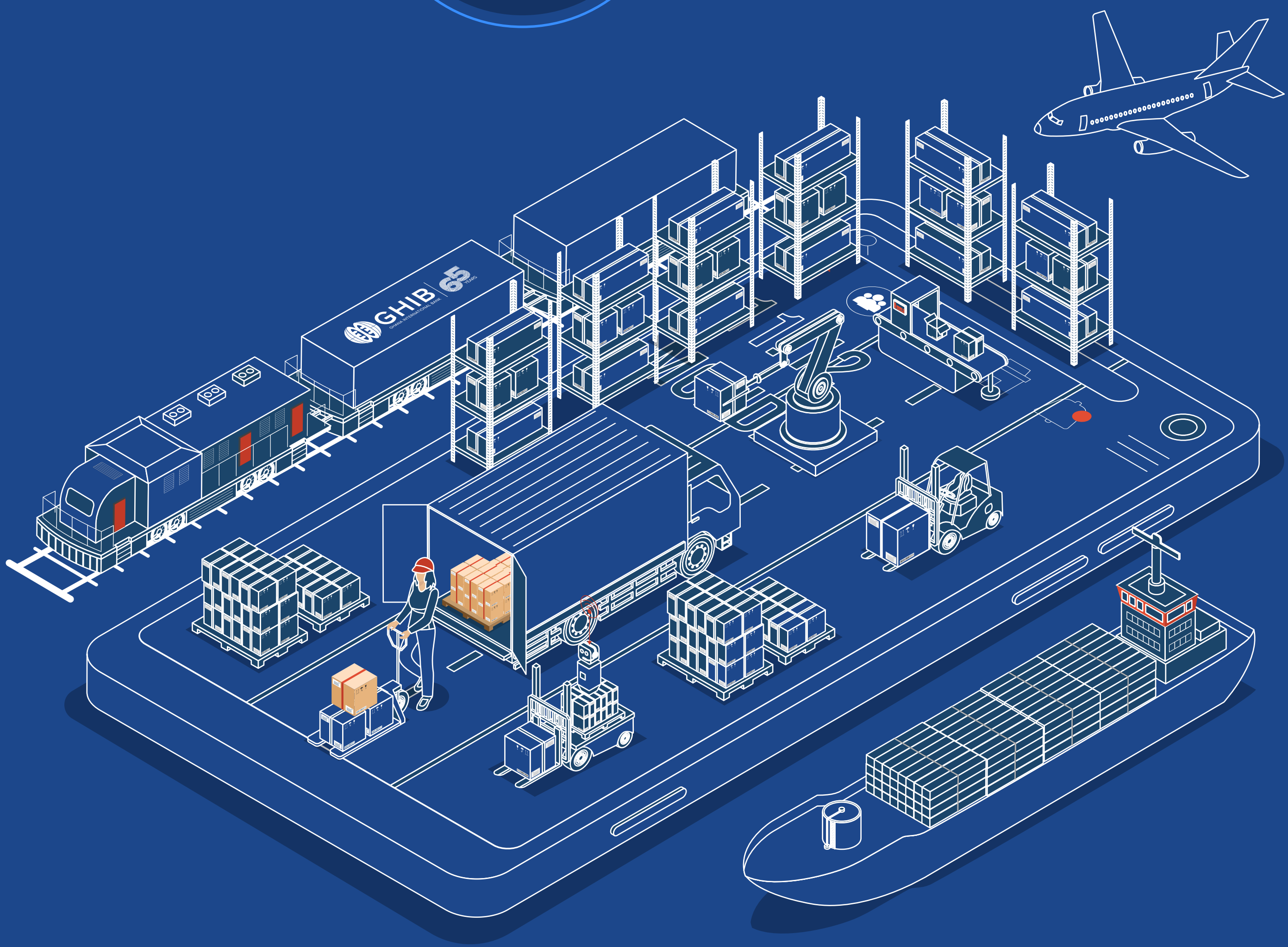

# Play it Right!

This is a photo from the Play It Right workshop organized with GCB in 2024.

A key component of GHIB's core value proposition is capacity building. We continually invest in training programs, workshops, and seminars.

This is aimed at upskilling and equipping our customers, partners, and agents with the latest tradecraft and knowledge in compliance, risk management, and other work formats necessary to achieve operational excellence.


The lead facilitator of this workshop was Dr. Christos Gabrielides, GHIB's Chief Risk Officer.

GHIB Play It Right is our continuous learning program aimed at achieving excellence in risk management practices across our network.

# Overview of Risk

The Bank's approach is only to take on risks that it understands and is able to manage so that it can achieve its strategy while protecting its resources and the interests of its Shareholders and other stakeholders.

The Bank's risk management framework seeks to ensure that there is an effective process in place to manage risk across the Bank. Risk management is integral to all aspects of the Bank's activities and is the responsibility of all staff.

The Board is responsible for approving the Bank's Risk Appetite Statement. Management is responsible for ensuring that the Bank operates within the defined Risk Appetite. Managers have a particular responsibility to evaluate their risk environment, to put in place appropriate controls and to monitor the effectiveness of those controls. The risk management culture emphasises careful analysis and management of risk in all business processes.

Risks are identified, assessed, and managed at both enterprise level ('top-down') and business level ('bottom-up'). The Board Risk Committee, which is chaired by an independent Non-Executive Director, has oversight of these processes.

This Committee meets at least four times a year, and reviews and challenges risk reports provided from Senior Management. The Bank seeks to mitigate risks within its strategy and business model, by ensuring that a rigorous regime of systems and controls is in place and that it is embedded at all levels of the organisation.

The systems and controls are regularly tested through a risk-based internal audit process as part of GHIB's annual internal audit plan.

'The Bank's risk management framework seeks to ensure that there is an effective process in place to manage risk across the Bank.'

## Principal Risks

The Bank's Principal Risks are outlined below and represent the most significant risks faced by the Bank given its business model and operating environment.

## Credit Risk

Credit Risk is the risk that obligors will not be able to meet repayment commitments as and when they fall due. The Bank accepts credit risk is inherent in its activities.

Geopolitical developments affect the economic environment and the Bank's ability to implement its strategy. The Bank has an established process for monitoring and managing the risk arising from geopolitical events and mitigating its potential impact as much as possible. This includes taking a forward looking view of potential developments, regularly assessing the potential impact on its strategy and adjusting its strategy proactively.

Climate Change creates financial risks through physical and transitions impacts which may affect obligors' ability to meet their obligations.

The Bank has developed and implemented a Climate Change Risk Management Framework which aims to help the business assess the potential strategic and financial implications of climate change risk. The Bank aims to identify and manage risks as well as opportunities related to climate change through regular review of the environmental risks faced by borrowers including environmental risks relating to the countries within which they operate.

## Operational Risk

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. Such risks are part of doing business. The Bank is committed to mitigating operational risks by having appropriate procedures, a strong risk culture, appropriate training for staff, as well as well-articulated policies and procedures.

Risks are identified and managed by each business area in the first Line of Defence through a Risk and Control Self-Assessment (RCSA) process. The Bank has adopted a standardised Risk Type Taxonomy to which the different risk types are mapped. A consolidated picture of the Bank's risks is reflected in its Risk Register.

Within operational risk, Business Disruption Risk refers to the Bank's inability to deliver its products and services due to disruption caused by, but not limited to, cyber-attack, failed outsourcing, technological change and other. A Disaster Recovery and Business Continuity Plan is in place to ensure that the Bank is able to effectively respond to potential threats to safeguard the interests of its key stakeholders, reputation, brand and value-creating activities.

The Bank's Crisis Management, Disaster Recovery and Business Continuity Plan are reviewed and approved by the Board annually. The plans are tested regularly. These plans are subject to review by the Bank's third Line of Defence in line with their annual program of work.

## Liquidity and Funding Risk

This is the risk that the Bank is unable to meet its contractual or contingent obligations as they fall due; and that it does not have the appropriate amount, tenor or composition of funding and liquidity to support its growth strategy, to meet short-term financial demands without significant loss of capital and /or income. Funding Risk is the risk that the Bank cannot maintain a diversified, stable and cost-effective funding base.

The Bank has a comprehensive internal control framework for managing its liquidity risk and uses both quantitative and qualitative measures in the liquidity assessment process. The liquidity framework is designed to ensure that the Bank's liquidity resources are sufficient (in amount and quality) to meet its obligations as they fall due, and that the funding profile is aligned to the defined risk appetite and growth plan.

The Bank manages liquidity risk by maintaining an appropriate framework that includes a liquidity policy, an appropriate governance framework, and liquidity risk analysis, stress testing, limit setting and monitoring.

'The Bank aims to identify and manage risks as well as opportunities related to climate change.'

## Market Risk

Market Risk refers to the risk of a change in the actual market value or earnings of financial instruments including bonds, caused by adverse movements in asset prices, foreign exchange or interest rates. The Bank is exposed to foreign exchange risk as a result of mismatches between the currencies of its assets and liabilities.

The Asset and Liability Committee (ALCO) monitors market risk and special sessions are convened when there are significant movements in the value of the portfolio.

Interest Rate Risk in the Banking Book (IRRBB) arises from potential changes in interest rates relevant to the Bank's assets and liabilities (including Base Rate and other benchmark rates) that may affect the Bank's future revenue and net interest income.

## Regulatory and Conduct Risk

Regulatory Risk refers to the risk that changes in regulation could materially affect the business of the Bank or the markets within which it operates. The Bank's business is subject to many regulations in different jurisdictions and currently the pace of change is significant and may affect the business of the Bank either directly or indirectly. The Bank mitigates this risk by having a dedicated unit that reviews regulatory requirements and developing policies and controls to ensure compliance with the relevant regulatory requirements.

Conduct Risk is defined as the risk that GHIB may cause detriment to its customers or other market participants or may have an adverse effect on market stability or effective competition as a result of its actions. This could result in reputational damage and financial loss for the firm. GHIB mitigates this risk by maintaining appropriate policies and procedures, providing ongoing training to its staff, eliminating conflicts of interest, setting the right tone from the top, defining a clear code of conduct, taking firm action when any customer detriment is identified and having in place oversight arrangements.

The Board sets high ethical standards whilst rigorous new product approval guidelines are in place. The Code of Conduct and Staff Handbook set out expected standards of behaviour for staff. This is complemented by the Bank`s whistleblowing policy. The various aspects of conduct and reputational risk are encapsulated in a Conduct Risk framework and there is regular monitoring of conduct risk by the compliance department as part of its ongoing compliance monitoring program.

## Financial Crime Risk

GHIB appreciates and understands the need to identify and manage the potential Financial Crime risks posed by various types of customers and this is assessed through the Bank's Customer Risk Assessment Framework. The Bank has established an appropriate approach to identify and risk categorise customers to ensure they remain within the Bank's risk appetite and are also monitored appropriately throughout the customer relationship as part of the on-going monitoring controls in place.

'GHIB mitigates this risk by maintaining appropriate policies and procedures, providing ongoing training to its staff...'

GHIB works closely with Chambers of Commerce and other stakeholder groups in our service to our CORE MARKETS. Here, GHIB Executives join the Leadership of the UK - Ghana Chamber of Commerce call on the British High Commissioner in Accra. Circa March 2024.

# Play it Right!

## Promoting excellence in African Compliance

#PlayitRight is GHIB's core approach to risk mitigation and compliance excellence in our ecosystem. #Playitright continues our heritage of investing in training and other capacity building programs to upskill operators including our customers and clients to FCA and other world standard AML, Transaction Monitoring, Due Diligence and other risk Management standards. #PlayitRight is another reason why GHIB is the UK's Pan African Trade Bank.

A GHIB Compliance Initiative.

London
Ghana International Bank plc,
67 Cheapside, 1st Floor,
City of London, EC2V 6AZ

Accra
2nd Floor, Cannon House,
No.60 Rangoon Lane, Cantonments,
Accra -Ghana (GL-045-6044)

www.ghanabank.co.uk