

EXPLANATORY NOTES TO SPECIAL RESOLUTIONS

These notes provide an explanation to the proposed Special Resolutions set out in the Notice and Agenda for the 32nd Annual General Meeting of the Company. For the Resolutions to be passed, 75% of the votes of members present are required. The Resolution is proposed for the Company to be compliant with regulatory requirements.

SPECIAL RESOLUTION

AMENDMENT OF ARTICLES 44(1) AND 44(2) OF THE COMPANY'S CONSTITUTION

I INTRODUCTION

The Securities and Exchange Commission (SEC) on 6th February 2023 issued a Directive on the 'Discontinuation of the Usage of Dividend Warrants as a Means of Dividend Payment'.

Per the Directive, effective 1st February 2024, all dividend payments are to be made through electronic payment means such as mobile money, bank transfers and other forms of payments as may be approved by SEC.

An amendment is therefore required, where applicable to the Company's Constitution, in order for the Bank to be compliant with the Directive within the given timeline.

The amendment of the Company's Constitution is critical to ensuring that the Company's governing document is aligned with the Directive and compliant with the regulatory requirement.

II THE AMENDMENTS

- (i) That paragraph 44(1) of the Constitution which reads "A dividend payable in cash may be paid by cheque or warrant sent by post directed to the registered address of the member or, in the case of joint holders, to the registered address of the person who is first named on the register of members, or to a person and to an address that the holder or joint holders may in writing direct or by electronic transfer to the Bank account of the member" be deleted in its entirety and replaced with the following as a new paragraph 44(1) -

"All dividend payments to members shall be through electronic payment means such as mobile money, bank transfers and other forms of payments as may be approved by the Securities and Exchange Commission."

- (ii) That paragraph 44(2) of the Constitution which reads "A cheque or warrant shall be made payable to the order of the person to whom it is sent" be deleted in its entirety and replaced with the following as a new paragraph 44(2) -

"Dividend payments through electronic payment means as set out in paragraph 44(1) above, shall be paid to the electronic transfer details provided by the member or in the case of joint holders to the electronic transfer details of the member that the joint holders may in writing direct."

III REQUIRED APPROVALS

The Company would be required to, pursuant to section 27 of the Banks & Specialised Deposit-Taking Institutions Act, 2016 (Act 930), apply and seek the approval of the Bank of Ghana before it can make any amendments to its Constitution.

The Company would also be required to, pursuant to Article 94 of the Company's Constitution, apply and seek the approval of the Ghana Stock Exchange before it can have its Constitution amended.

IV FINANCIAL OUTLAY

Any financial outlay to effect the adoption and registration of the amended Constitution with the Regulators and the Registrar General will be nominal.

V CONCLUSION

The rationale behind the amendment of the Company's Constitution is to ensure that the Company is compliant with current regulatory directives, in particular the directive from the Securities and Exchange Commission (SEC) on the 'Discontinuation of the usage of Dividend Warrants as a means of Dividend Payment'.

VI DIRECTORS RECOMMENDATION

In view of the foregoing, the Board of Directors recommends that Shareholders vote in favour of the resolution for the amendment of Articles 44(1) and 44(2) of the Company's Constitution in compliance with the Securities and Exchange Commission Directive, subject to regulatory approvals.