



**SOCIETE GENERALE  
GHANA**

**SOCIETE GENERALE GHANA PLC BOARD OF DIRECTORS  
CHARTER ON CORPORATE GOVERNANCE DULY  
APPROVED BY THE BOARD OF DIRECTORS ON  
2<sup>ND</sup> DECEMBER 2021**

## **Table of Contents**

<b>1.1. INTRODUCTION</b>	<b>4</b>
<b>1.2. BOARD OF DIRECTORS RESPONSIBILITY</b>	<b>4</b>
<b>1.3. THE COMPOSITION OF THE BOARD</b>	<b>6</b>
<b>1.4. BOARD CHAIRPERSON</b>	<b>7</b>
<b>1.5. TENURE OF THE BOARD CHAIRPERSON</b>	<b>7</b>
<b>1.6. BOARD MEETINGS</b>	<b>8</b>
<b>1.7. BUSINESS STRATEGY</b>	<b>9</b>
<b>1.8. DUTY OF CARE AND LOYALTY</b>	<b>9</b>
<b>1.9. CORPORATE CULTURE AND VALUES</b>	<b>9</b>
<b>1.10. RELATED PARTY TRANSACTIONS</b>	<b>10</b>
<b>1.11. CONFLICT OF INTEREST</b>	<b>10</b>
<b>1.12. SUCCESSION PLAN</b>	<b>10</b>
<b>2. THE BOARD SECRETARY</b>	<b>10</b>
<b>3. THE OPERATION OF THE BOARD</b>	<b>11</b>
<b>4. MANAGEMENT INFORMATION</b>	<b>12</b>
<b>5. RISK MANAGEMENT</b>	<b>13</b>
<b>6. CONFLICT OF INTEREST WITHIN THE BOARD</b>	<b>14</b>
<b>7. RELATED PARTY TRANSACTIONS</b>	<b>15</b>
<b>8. APPOINTMENT OF DIRECTORS</b>	<b>16</b>
<b>9. MULTIPLE DIRECTORSHIPS</b>	<b>19</b>
<b>10. RE-ELECTION OF DIRECTORS</b>	<b>20</b>
<b>11. INDUCTION, TRAINING AND PERFORMANCE OF DIRECTORS</b>	<b>21</b>
<b>12. REMOVAL OF DIRECTORS</b>	<b>22</b>
<b>13. DIRECTORS REMUNERATION</b>	<b>23</b>
<b>14. ROLE OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER</b>	<b>24</b>
<b>15. ESTABLISHMENT OF COMMITTEES</b>	<b>26</b>
<b>16. THE AUDIT COMMITTEE</b>	<b>27</b>
<b>17. THE DUTIES OF THE AUDIT COMMITTEE</b>	<b>28</b>
<b>18. THE RISK COMMITTEE</b>	<b>31</b>
<b>19. THE NOMINATION AND COMPENSATION COMMITTEE</b>	<b>32</b>
<b>20. THE REMUNERATION COMMITTEE</b>	<b>33</b>
<b>21. FINANCIAL STATEMENTS</b>	<b>34</b>
<b>22. ANNUAL REPORT</b>	<b>35</b>
<b>23. INDEPENDENT EXTERNAL AUDITORS</b>	<b>36</b>
<b>24. INTERNAL CONTROLS</b>	<b>38</b>
<b>25. INTERNAL AUDIT</b>	<b>39</b>
<b>26. RECORD KEEPING</b>	<b>41</b>
<b>27. CODE OF ETHICS</b>	<b>42</b>
<b>28. WHISTLE BLOWING</b>	<b>43</b>
<b>29. APPROVAL OF MAJOR DECISIONS BY SHAREHOLDERS</b>	<b>44</b>
<b>30. GENERAL MEETINGS</b>	<b>45</b>
<b>31. RIGHTS OF SHAREHOLDERS</b>	<b>46</b>
<b>32. RELATIONS WITH INVESTORS</b>	<b>48</b>
<b>33. CONDUCT OF GENERAL MEETINGS</b>	<b>49</b>

<b>34. DISCLOSURE OF INFORMATION</b>	<b>50</b>
<b>35. RELATIONS WITH STAKEHOLDERS</b>	<b>51</b>
<b>36.PENALTIES</b>	<b>52</b>
<b>37. INTERPRETATION</b>	<b>53</b>
<b>0.1. APPENDIX</b>	<b>55</b>

## **1.1. INTRODUCTION**

1. Societe Generale Ghana PLC as a company that is listed on the Ghana Stock Exchange shall be headed by an effective Board providing strategic guidance to lead and control the company and which shall be accountable to its shareholders. The Board of directors shall assume the primary responsibility of fostering the long-term sustainable business of the company consistent with:
  - a. Bank of Ghana Regulations ;
  - b. The Bank of Ghana Corporate Governance Directive 2018;
  - c. The Securities & Exchange Corporate Governance Code 2020;
  - d. Their fiduciary responsibility to the shareholders;
  - e. Their responsibility to ensure the company operates in an effective, fair, ethical and prudent manner; and
  - f. Their duty to have regard for the interests of employees and others as appropriate.
2. The Bank, Societe Generale Ghana PLC, is a subsidiary of the Societe Generale Group. The Board of Directors considers that the banking and financial industry is an essential contributor to economic development. The Board of Directors is fully aware of its role and responsibilities. The Directors appointed to the Board are committed to conducting their activities in a responsible way. Taking into account the economic, environmental, social consequences and the impact of its activities, this Charter is to reaffirm the responsibilities of the Board.

## **1.2. BOARD OF DIRECTORS RESPONSIBILITY**

1. The Board of Directors shall have overall responsibility for the Bank, including approving and overseeing the implementation of the Bank's strategic objectives, risk strategy, corporate governance and corporate values. The Board shall be responsible for appointing and providing oversight of senior management as spelt out in this Charter.
2. The Board shall ensure that a well-structured and rigorous selection system is in place for the appointment of key management personnel of the Bank.
3. Annually, within 120 days of the end of each financial year, the Board shall provide a certification to the Bank of Ghana as to the compliance of the Bank with the Bank of Ghana Corporate Governance Directive and will certify that: -
4. The Board has independently assessed and documented that the corporate governance process of the Bank is effective and has achieved its objectives or otherwise.

5. The Directors are aware of the responsibilities of the Bank with regards to persons charged with corporate governance.
6. The Board shall report any material deficiencies and weaknesses identified in the course of the year, along with action plans and timetables for corrective action by the Board to the Bank of Ghana.
7. The responsibilities of the Board shall include the following:
  - (a) With respect to the operation of the Company:
    - (i) To define and document the company's mission, strategy, goals, objectives and plans;
    - (ii) To determine and document the company's corporate governance practices, its risk management framework, risk tolerance and ethical standards;
    - (iii) To appoint Board Committees with the appropriate balance of skills, experience, independence and knowledge to meet the requirements of this Code;
    - (iv) To appoint the chief executive officer and other senior officers and hold them, particularly the chief executive officer, to account, to set and monitor objectives and performance indicators and to provide checks and balances to the chief executive officer's authority;
    - (v) To set documented policies and procedures that implement the business strategy, risk management framework and ethical standards;
    - (vi) To set internal controls that are documented and designed to implement the policies and procedures which apply throughout the company including to employees, agents and others through whom services are delivered;
    - (vii) To adopt the company's annual budget;
    - (viii) To ensure that accounting policies, record keeping, accounting and financial reporting systems are sufficient for the operation of the business and consistent with the requirements of the law and this Code;
    - (ix) To oversee and monitor the corporate management and operations, management accounts, major capital expenditures, acquisitions, divestitures investments and other major transactions and review corporate performance;
    - (x) To implement a management information system that enables the Board to monitor performance;
    - (xi) To develop and document appropriate staffing and remuneration policies;

- (xii) To ensure that the financial resources available to the business not only meet the statutory or regulatory requirements but also are adequate with respect to the nature, size, and complexity of its business and will enable the company to meet its liabilities as they fall due;
  - (xiii) To ensure that the company has sufficient technological and other resources to carry out its operations; and
  - (xiv) To review on a regular basis the business strategy, risk management, ethical standards, policies and procedures, internal controls, record keeping and accounting policies, management information, level of resources and compliance with laws, regulations, this Code, the code of ethics, rules and guidelines and to take such remedial action as may be required;
- (b) With respect to shareholders and other stakeholders:
- (i) To establish and implement a system that communicates properly with shareholders and provides necessary information to the shareholders;
  - (ii) To protect the rights of all shareholders;
  - (iii) To be accountable to shareholders and submit to their questioning;
  - (iv) To advance shareholders' interests by taking full and appropriate account of the interests of other stakeholders and the community more generally.
- (c) With respect to effective functioning of the Board itself:
- (i) To monitor the effectiveness of the corporate governance practice under which it operates and propose revisions as may be required;
  - (ii) To establish a transparent Board nominating process;
  - (iii) To monitor the performance of the Board itself and its committees by means of a formal, documented evaluation no less frequently than annually; and
  - (iv) To establish its own procedures and manage conflicts of interest.

### **1.3. THE COMPOSITION OF THE BOARD**

- (1) The structure of the Board shall comprise a number of directors, who collectively shall have the integrity, skills and experience necessary to fulfil the Board's responsibilities and protect the interests of all shareholders.
- (2) The Board shall comprise executive directors, non-executive directors and independent non-executive directors, all of whom shall be natural persons and:
  - (a) a majority of the directors shall be non-executive directors;

- (b) a minimum of two directors shall be independent non-executive directors, one of whom may be the Chairman of the Board.
- (3) The Board shall not be composed solely of nominees or representatives of the majority shareholder or of a substantial shareholder but shall reflect the company's broad shareholding structure.
- (4) The Board shall identify one independent non-executive director who shall be responsible for relations with minority shareholders. This non-executive director may request the audit committee to review a transaction to consider if it has an adverse effect on the interests of minority shareholders.
- (5) If the size of the Board becomes smaller than 5 members or larger than 13, the Board shall explain in the annual report why it regards this number as appropriate.
- (6) The Board shall disclose in its annual report on compliance with the SEC Corporate Governance Code. It shall identify the directors it considers as being independent.

#### **1.4. BOARD CHAIRPERSON**

1. The Chairperson of the Board shall be an independent director and shall be ordinarily resident in Ghana unless it can be demonstrated to the Bank of Ghana that the position can be held effectively by a non-resident who is able to attune the strategic direction of the Bank with the developments in Ghana. The Chairperson shall provide leadership to the Board and ensure that Board decisions are taken on a sound and well-informed basis. The Chairperson should encourage and promote critical discussion and ensure that dissenting views can be expressed and discussed within the decision-making process.
2. The Chairperson shall encourage constructive relationship within the Board and between the Board and Management.
3. To promote checks and balances in the governance structure of the Company, the Board Chairperson shall not serve as a chair of any of its Board sub-committees.
4. The Board Chairperson shall be proposed for re-election within the maximum tenure of two (2) terms consisting of three (3) years per term.

#### **1.5. TENURE OF THE BOARD CHAIRPERSON**

1. The term of office of a Board Chairperson of the Bank shall not be more than three (3) years and may be renewed for one (1) additional term only in the Company.

## **1.6. BOARD MEETINGS**

1. The Company shall hold at least four (4) Board meetings per financial year. For convenience, Board meetings can also be arranged and conducted via teleconference.
2. A Director has a duty to attend Board meetings regularly and to effectively participate in the conduct of the business of the Board. The Board shall meet at least once every quarter.
3. A member of the Board shall attend at least 50% of the Board meetings of the Company in any financial year. This is to ensure that every Board member discharges his or her duties and responsibilities effectively in order to qualify for re-election. In the event that a member of the Board does not attend the meetings regularly in a financial year, the Board Chairperson shall recommend the removal of such persons from the Board based on non-performance subject to shareholders' approval.
4. A Director is deemed to have attended a Board meeting if that Director participates in the meeting via teleconference for the entire duration of the meeting or
5. The Board shall disclose in the corporate governance section of its annual report, the total number of Board meetings held in the financial year and the attendance by each director.
6. The Board shall discuss the business affairs of the Bank through reports submitted by management in writing. The reports should include among others:
  - a) a summary of financial statements and performance review against the approved budget, business plan, peers and industry;
  - b) the extent to which the bank is exposed to various risks such as credit, liquidity, interest rate, foreign exchange, operational and other risks;
  - c) review of non-performing loans, related party transactions and credit concentration;
  - d) activities of the Company in the financial market and in its "nostro" accounts;
  - e) effectiveness of internal control systems and human resource issues;



- f) outstanding litigations and contingent liabilities;
- g) Compliance with Anti-Money Laundering/Counter Financing of Terrorism (AML/CFT) policies, laws and regulations;
- h) List of related party exposures and their classification.

### **1.7. BUSINESS STRATEGY**

1. The Board of Directors shall approve and monitor the overall business strategy of the Bank, taking into account long-term financial interest of the Bank, its exposure to risk, and its ability to manage risk effectively. The Board shall approve and oversee the formulation and implementation of:-
  1. The overall risk strategy, including its risk tolerance/appetite;
  2. Policies for risk, risk management and compliance, including anti-money laundering and combating the financing of terrorism (AML/CFT) risk;
  3. Internal controls system;
  4. Corporate governance framework, principles and corporate values including a code of conduct; and
  5. Compensation system.

### **1.8. DUTY OF CARE AND LOYALTY**

1. The members of the board shall exercise their "duty of care" and "duty of loyalty" to the Bank.

### **1.9. CORPORATE CULTURE AND VALUES**

1. The Board shall establish the corporate culture and values of the Bank that promote and reinforce norms for responsible and ethical behaviour in terms of the Bank's risk awareness, risk-taking and risk management.
2. The Board will promote sound corporate culture in the Bank, the board shall take the lead in establishing the tone by:-
  1. Setting and adhering to corporate values for itself, key management and employees – that create expectations regarding how business should be conducted in a legal and ethical manner at all times
  2. Ensuring 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.

## **1.10. RELATED PARTY TRANSACTIONS**

1. The board shall ensure that transactions with related parties are reviewed to assess risk and are subject to appropriate restrictions (by requiring that such transactions be conducted on non-preferential basis) and applicable legislation.

## **1.11. CONFLICT OF INTEREST**

1. The Board of Directors shall ensure that they do not place themselves in a position where their personal interest or duties to other persons are liable to conflict with their duties to the Bank or unless the Bank gives it consent. In resolving conflict of interest, steps must be taken to disclose the Nature of the Interest. Contact the SG Ghana Chief Compliance Officer where there is any doubt.

## **1.12. SUCCESSION PLAN**

1. The Board shall select, subject to approval by the Bank of Ghana where applicable, replace where necessary, key management personnel and members of the Board. It shall put in place an appropriate plan for succession. The succession plan shall focus on developing human resources to enable the Bank retain a pool of qualified candidates who are ready to compete for key positions and areas when they become vacant to ensure effective continuity of the banking business.

## **2. THE BOARD SECRETARY**

- (1) The Board secretary shall be responsible for the administration of Board meetings, for the records of Board meetings, for the conflicts of interest register and other matters as may be determined by the Board. The Commission may prescribe specific duties of a Board secretary.
- (2) The Board secretary's duties shall be specified by the Board. The secretary may have other duties in addition to that of secretary to the Board. The Board Secretary's duties shall include :
  - (a) ensuring that meetings take place and papers circulated to those attending, in accordance with the schedule agreed by the Board, and as directed by the Chairman;
  - (b) advising the Board on Board policies and procedures for the operation of the Board, the constitutive documents and the Board Charter;
  - (c) keeping records and Board minutes as appropriate;
  - (d) maintaining the Board Charter, ensuring that it is up to date and advising the Chairman on its enforcement; and
  - (e) ensuring that there is annual review of the Board Charter by the Board.

- (3) The Board secretary shall have the requisite qualification under Section 211, subsection 3 of the Companies Act 2019 (Act 992).
- (4) The Board shall evaluate the performance of the Board Secretary annually based on the roles and responsibilities as documented in the appointment letter and key performance indicators agreed with the Board.

### **3. THE OPERATION OF THE BOARD**

- (1) The Board shall adopt procedures for arranging its business which shall include:
  - (a) an annual schedule of meetings, agreed and documented and consisting of at least four meetings at quarterly intervals;
  - (b) the required notice for the circulation of the agenda and the method for securing the adoption of agenda items;
  - (c) a statement as to the decisions that shall be reserved to the Board or a statement of matters that are delegated to a committee of the Board or to executives;
  - (d) the procedures for taking Board decisions, including the required majority, the use of a casting vote and the minimum quorum; and
  - (e) the method of recording and disseminating Board decisions.
- (2) The Board may engage third parties or agents to carry out some of the functions for which the Board is responsible but, in this event, the Board shall retain responsibility for the performance of those duties as performed by the third party or agent.

The frequency of meetings is determined by the schedule of matters that require board approval and the timing of statutory requirements. The Board shall have a minimum of 4 Board Meetings and 1 Annual General Meeting.

### **SCHEDULE OF MATTERS RESERVED FOR THE BOARD**

- System of internal control
- Approval of Capital Expenditure
- Ratification of Credit Approvals
- Approval of annual operating budget
- Determining strategies and plans
- Approving Directors remuneration
- Appointment of Directors
- Appointment and removal of Auditors
- Appointment of Company Secretary
- Approval of Interim and Recommendation of Final Dividend.
- Approval of Policies.
- Approval of Financial Statements
- Remuneration of Auditors

- (3) The Board has in place a formal and effective mechanism for an annual evaluation of the Board's own performance, members of the Board and of its Committees.

#### **4. MANAGEMENT INFORMATION**

- (1) The Board shall be supplied with relevant, accurate and timely information to enable it to discharge its duties.
- (2) The Board shall identify and document the information it considers necessary to monitor:
  - (a) the operation of the business;
  - (b) the discharge of the Board's obligations;
  - (c) the nature and magnitude of risks;
  - (d) the effectiveness of risk mitigation policies;
  - (e) the financial performance and position of the company;
  - (f) the exposure to significant risks as identified by the Board;
  - (g) other matters it considers necessary.
- (3) The Board shall also be informed of all relevant laws, regulations, codes and other mandatory and non-mandatory provisions that have a material impact on the operations of the company.
- (4) The Chairman and Board Secretary shall be responsible for supplying information to Board members on a timely basis that is sufficient to enable them to discharge their duties.
- (5) It shall be the responsibility of each Board member to make reasonable enquiries to inform himself or herself of the factors affecting the issues before the Board and to seek further information from within or outside the company as they consider appropriate subject to the approval of the Board.
- (6) The Board shall adopt a policy that defines the circumstances in which a Board member may retain outside professional experts for advice at the expense of the company.
- (7) The Board shall ensure that the management of the company has responsibility for maintaining the security, availability, reliability and integrity of management information.

## **5. RISK MANAGEMENT**

- (1) The Board has overall responsibility for the management of the risks facing the company and for the oversight of the actions taken by the executive to assess and mitigate risk.
- (2) The Board shall review the assessment of the risks facing the company. This risk assessment shall include, where relevant, any risks arising from:
  - (a) the products or services provided;
  - (b) the financial management of the company;
  - (c) the technology infrastructure;
  - (d) the information held by the company;
  - (e) the human resources available to the company;
  - (f) the physical premises;
  - (g) the potential for internal fraud; and
  - (h) any other material risks.
- (3) The Board shall review and adopt an internal organisational structure and policies and procedures designed to mitigate the risks it has identified and to maintain risk management, financial and operational control. The risk assessment and the policies and procedures shall be:
  - (a) documented; and
  - (b) communicated to employees.
- (4) The Board shall review and adopt contingency plans for maintaining business continuity in the event of certain specified risks, including:
  - (a) technology failure;
  - (b) the loss of access to the company's offices;
  - (c) the loss of records or access to them;
  - (d) the default or failure of a counterparty; and
  - (e) the loss of key personnel.
- (5) The Board shall ensure that the contingency arrangements are tested from time to time and no less frequently than annually.
- (6) The Board shall ensure that an evaluation is conducted, either by the executive, or independently of its risk assessment and the effectiveness of its risk management process no less frequently than annually. The Board shall review the results of that evaluation and take any necessary action. The results of the review, the action taken and the reasons for such action shall be documented.

## **6. CONFLICT OF INTEREST WITHIN THE BOARD**

- (1) The Board has in place a Conflict of Interest Policy. Where a Board member has an interest in any matter that is the subject of Board discussion, he or she shall declare the nature and extent of that conflict of interest to the Board and the Board secretary shall keep a register of such interests.
- (2) The Board's policy with respect to conflicts of interest :-
  - (a) requires disclosure by directors when being considered for appointment and thereafter, on the occasion of significant changes, of any outside financial, economic or other interest;
  - (b) provides for the Board to consider disclosures by candidates for Board membership so as to determine if a conflict of interest is such that a reasonable person would conclude that the director was likely to be influenced by that conflict when considering a matter before the Board;
  - (c) will ensure that no director holds the position of director of a company that is licensed as a broker/dealer;
  - (d) defines the procedures for considering whether a director's outside appointments or any other matter amount to a material conflict of interest and if so to consider the action necessary to resolve the conflict including:
    - (i) withdrawing from any discussion on a particular matter; and
    - (ii) receiving no papers or other information on a matter; or
    - (iii) if necessary, resigning from the Board; and
  - (e) defines the procedures for avoiding any misuse of the position of director.
- (3) The policy shall enable the Board to require a director to resign if conflicts of interest appear to be too severe to permit the director to remain a member of the Board.
- (4) The policy shall also include the steps the Board has taken to ensure that the directors comply with Section 153 of the Securities Industry Act and, in particular to:
  - (a) maintain a register, including directors, of those who should be regarded as "insiders"; and
  - (b) require directors to disclose trading in shares of the company.
- (5) Policy of preventing and managing Conflict of Interest within Societe Generale Ghana – Instruction 000151

## **7. RELATED PARTY TRANSACTIONS**

- (1) The Board shall adopt a related party transactions policy to identify relevant related parties to the company and any transactions with related parties that may take place and which specifies procedures to be adopted that will mitigate the risk that such transactions may be conducted in a way that constitutes a conflict of interest or which is against the interests of shareholders as a whole. The related party transactions policy is contained in the Credit Policy of the Bank.
- (2) The procedures in sub paragraph (1) above shall include but not be limited to the following requirements:
  - (a) any transaction that is identified by any one director as a related party transaction shall be subject to the related party transaction procedures;
  - (b) any related party transaction shall be referred to the audit committee for review;
  - (c) the audit committee may determine that a related party transaction is sufficiently material to be referred to shareholders for approval;
  - (d) any related party transaction not designated as material under sub paragraph (c) above shall be subject to approval by the Board and any vote by the Board shall exclude those with a conflict of interest or any interest in the related party or the transaction;
  - (e) where the Board (excluding those not entitled to vote under sub paragraph (d) above) does not unanimously approve the related party transaction, it shall be referred to the shareholders for approval; and
  - (f) any related party transactions that are approved by the shareholders shall be identified in the annual report.
- (3) The Related Parties Transactions procedure shall be described in the Board Charter.

## **THE DIRECTORS OF THE COMPANY**

### **8.APPOINTMENT OF DIRECTORS**

- (1) There shall be a formal and transparent policy for the appointment of directors to the Board that shall be overseen by the nominating committee.
- (2) The appointment and terms of office of each director shall be so arranged that no more than a third of the directors reach the end of their term of office in each year. This shall be achieved by altering the length of the fixed term contract of each director, on their appointment or re-election, so as to fit this pattern.
- (3) The nominating committee shall recommend to the Board, candidates for directorship to enable the Board to meet its responsibility to nominate candidates for the approval of the shareholders. The Board shall only make such nominations after considering the recommendations of the nominating committee.
- (4) The appointment policy shall include the following steps:
  - (a) the Board shall approve a documented description of the investigations that shall take place with respect to the skills qualification, integrity and other matters relating to candidates and the factors to be taken into account when considering each appointment;
  - (b) the Board shall approve the procedure for evaluating the performance of appointees;
  - (c) the Board shall determine and document the terms and conditions of each appointment that is to be made, including whether the vacancy is for an executive, non-executive or independent non-executive director;
  - (d) the Board shall adopt a policy on the appropriate gender balance on the Board and the minimum time necessary to achieving that policy and shall take this into account when making each appointment;
  - (e) the nominating committee shall determine and document the particular skills, qualifications and expertise required for each appointment that is to be made;
  - (f) the nominating committee shall invite the majority shareholder, any substantial shareholders and minority shareholders to:
    - (i) nominate candidates for the Board; and
    - (ii) give views on the candidates for directorships that have offered themselves or been offered by others;
  - (g) the nominating committee shall consider any other candidates who have been nominated by others and those who have offered themselves for appointment and any others it may consider appropriate;
  - (h) when making recommendations to the Board, the nominating committee shall include only those candidates who have agreed in writing that they are willing to be considered;



- (i) the nominating committee shall include candidates that command the support of majority, minority and substantial shareholders in their recommendations to the Board such that, were all candidates recommended by the nominating committee, the Board would:
    - (i) reflect the broad shareholding structure of the company;
    - (ii) meet the requirements for the skills, qualifications and expertise that it has determined are necessary for the particular appointment; and
    - (iii) meet the Board's policy for moving towards an appropriate gender balance;
- (5) All persons offering themselves for appointments as directors, substitute directors or alternate directors or being proposed for such appointments shall state, in writing their willingness to be considered and shall disclose to the Board any potential area of conflict that may undermine their position or service as director. A person offering themselves as directors should be required to confirm that it is their intention to fulfil their duties throughout their term of office and not rely, except in wholly unforeseeable circumstances, on the use of substitute or alternate directors.
- (6) The Board shall consider the recommendations of the nominating committee when choosing which candidates to nominate to the shareholders for approval. The Board shall nominate candidates that include those who command the support of minority shareholders as well as those who have the support of any majority or substantial shareholders.
- (7) The nominating committee shall prepare a report on the nomination process, the number of director posts available, the criteria by which candidates were judged, the qualifications, experience, material interests of, and other relevant information about the candidates, their acceptability to majority, substantial or minority shareholders as appropriate, the extent to which the Board's policy on gender balance is being achieved and any other matter the nominating committee considers relevant. This report shall be issued to shareholders in advance of the meeting where the candidates are to be elected.
- (8) The Board will encourage directors to fulfil their responsibilities and when a director is unable to do so, will, as a first preference, adopt the full nomination policy for a replacement director, rather than appointing substitute or alternate directors. Where substitute or alternate directors are appointed, the nominating committee shall consider the suitability of a person nominated as a substitute director or an alternate director and, if the nominating committee considers that person to be unsuitable, the alternate director shall not be appointed.
- (9) Where the constitution of the company gives the Board the power to appoint a person as a director to fill a vacancy, or as an addition to the Board, any director, so appointed shall hold office only until the next general meeting. The nominating committee shall nominate a suitable candidate for the

shareholders to consider at that meeting, following the normal policy. The nominating committee may nominate the person appointed temporarily by the Board but is not obliged to do so.

- (10) The appointments policy shall be in the Board Charter and published on the company's web site.

## **9. MULTIPLE DIRECTORSHIPS**

- (1) All directors shall devote sufficient time to the performance of their role to discharge their responsibilities effectively.
- (2) No person shall hold more than three directorships in any listed company at any one time or a total of five directorships.
- (3) Any director that is contemplating appointment to another company shall notify the Chairman and Board Secretary in advance of the appointment.
- (4) The restrictions on multiple directorships shall be in the Board Charter.

## **10. RE-ELECTION OF DIRECTORS**

- (1) All directors shall be required to submit themselves for re-election at regular intervals that shall be no shorter than three years and no longer than four years. Executive directors shall have a fixed service contract with a provision to renew subject to (a) regular performance appraisal and (b) shareholders approval.
- (2) A director who has served more than nine years may be re-elected but shall no longer be an independent director.
- (3) The provisions for re-election and the term limits for directors shall be in the Board Charter.

## **11. INDUCTION, TRAINING AND PERFORMANCE OF DIRECTORS**

- (1) Newly appointed directors shall be provided with
  - (a) Appropriate documentation stating the terms of appointment, responsibilities and duties, requirements for disclosure of interests, policies and procedures relevant to the operation of the Board, the Board Charter and code of ethics, this Code and other induction materials;
  - (b) necessary orientation in the area of the company's business in order to enhance their effectiveness on the Board.
- (2) The nominating committee shall recommend an induction programme to the Board and a programme of training. This training should include the requirements of the law.
- (3) The Board shall determine and document the training it considers appropriate for the Board.
- (4) The nominating committee shall review annually whether any further training shall be supplied to Board members and make recommendations accordingly.

## **12. REMOVAL OF DIRECTORS**

(1) Removal of a director under Section 176 of the Companies Act, 2019 (Act 992), shall be disclosed in the annual report together with the details of the circumstances leading to the removal.

### **13. DIRECTORS REMUNERATION**

- (1) The Board shall adopt a remuneration policy for directors on the recommendation of the remuneration committee and that policy shall be documented and subject to the approval of shareholders.
- (2) The directors' remuneration shall be sufficient to attract and retain directors to run the company effectively.
- (3) The remuneration of the directors shall be approved by shareholders and not increased except with their approval at a general meeting, where notice has been given of a proposal to increase remuneration.
- (4) The non-executive directors' remuneration shall be competitive with remuneration for other directors in competing sectors. It shall be by a fixed sum and not by commission or percentage of profits or turnover.
- (5) The remuneration of the executive directors shall include an element that is linked to corporate performance:
  - (a) The link to performance may be by means of the issue of share options; but
  - (b) The directors' remuneration shall not be based on commission or percentage of profits or turnover: and
  - (c) The link to corporate performance shall be such as to give priority to longer term sustainable performance over short term performance.
- (6) The Board shall ensure that the terms and conditions of appointment of directors enable the Board to require an executive director to repay any element of remuneration that has been paid based on performance, where the Board subsequently determines that the performance on which such remuneration was based was not compatible with the long term sustainable performance of the company.
- (7) The Board shall disclose in its annual report its policies for remuneration as well as the actual remuneration, pensions and emoluments of directors and past directors in accordance with Section 132 of the Companies Act, 2019 (Act 992).
- (8) The remuneration policy shall be described in the Board Charter.

#### **14. ROLE OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

- (1) The position of Chairman and Chief Executive Officer shall not be held by the same person at the same time.
- (2) The chairmanship of a listed company shall be held by an independent non-executive director.
- (3) No person shall be the Chairman of more than one listed company at any one time.
- (4) The Chairman shall:
  - (a) be responsible for articulating the Board's vision and strategy;
  - (b) ensure that the Board meets regularly in accordance with the agreed schedule and otherwise as required;
  - (c) ensure that committees meet regularly;
  - (d) ensure that meetings are conducted in a proper manner with an agenda that is circulated in advance;
  - (e) ascertain the views and/or the decision of the meeting on the issues being discussed;
  - (f) ensure that directors, are encouraged to contribute within their respective capabilities in order to secure the maximum benefit for the company; and
  - (g) ensure that the Board exercises its responsibility to act as a check and balance to the decisions of the chief executive officer and other management staff;
  - (h) be the principal channel of communication between the Board and the chief executive officer;
  - (i) initiate the evaluation of the Board's performance and lead the evaluation of the chief executive officer's performance.
- (5) In the case of any non-executive director who is not contributing to the deliberations of the Board, the chair shall refer the matter to the nominating committee with a view to supplying additional training, or reviewing whether or not it would be appropriate for the director to be submitted for re-election. If necessary and appropriate the chairman shall invite the director to resign or the Board to terminate the appointment.
- (6) The Board shall adopt a clear succession plan for its chair and chief executive officer and other senior executive officers as appropriate in order to avoid an unplanned and sudden departure, which could undermine the company and shareholders' interest. The Board should seek the advice of the nominating committee on this plan.
- (7) The chief executive officer shall be accountable to, and subject to the control of the Board and shall be responsible for implementing the Board's decisions as well as exercising any functions that are delegated by the Board.



- (8) The chair shall oversee the effectiveness of the chief executive officer in meeting his or her responsibilities.
- (9) The Board shall ensure that there are directors or senior staff who are able to take over the functions of the chief executive officer in the event of the chief executive officer being incapacitated, absent or otherwise incapable of fulfilling his or her duties.
- (10) The roles and responsibilities of the Chairman and chief executive officer shall be described in the Board Charter.

**COMMITTEES OF THE BOARD**  
**15. ESTABLISHMENT OF COMMITTEES**

- (1) The Board shall establish an audit committee, a risk committee, a nomination and compensation committee and an independent directors committee.
- (2) The Board shall establish such other committees as it deems appropriate and shall delegate specific mandates to such committees as may be necessary.
- (3) Where the Board delegates duties and functions to committees, the Board will retain ultimate overall responsibility for such duties and functions.
- (4) The terms of reference of each committee shall be documented, approved by the Board, kept by the Board secretary and published on the company's website. They shall show:
  - (a) the composition, objectives, purposes and functions;
  - (b) the extent of delegated authority;
  - (c) the tenure of appointment of members;
  - (d) the requirements relating to frequency of meetings, quorum, agenda, papers and minutes;
  - (e) the reporting arrangements to the Board.
- (5) The Board shall review the terms of reference of each committee every year.
- (6) The terms of reference of each committee shall state whether or not other persons may attend the committee and under what conditions
- (7) Each committee shall organise its business such that:
  - (a) it gives reasonable notice of the time, date and location of meetings, together with the main issues scheduled for discussion;
  - (b) the deliberations and decisions are recorded; and
  - (c) the committees report to the full Board as appropriate.
- (8) The committees, their membership and a report of their activities shall be disclosed in the annual report.
- (9) The Board shall review the performance of the committees annually.
- (10) There is a general duty on all Board members to be present at annual meetings. However, it is especially important that the chairman of each Board committee shall be present at general meetings of shareholders, unless exceptional circumstances prevent them, so as to permit shareholders to put questions to them.
- (11) The Committee structure and terms of reference should be described in the Board Charter.

## **16. THE AUDIT COMMITTEE**

- (1) The audit committee shall consist of at least three directors. Independent non-executive directors shall constitute a majority on the committee. At least one of the independent non-executive members shall be a Chartered Accountant with recent and relevant financial experience. The Chairman of the committee shall be a Chartered Accountant and an independent non-executive director.
- (2) The audit committee members shall have: –
  - (a) broad business knowledge relevant to the company's business;
  - (b) awareness of the interests of the investing public;
  - (c) reasonable knowledge of the laws relating to the company and its business;
  - (d) familiarity with finance and basic accounting principles; and
  - (e) objectivity in carrying out their mandate and no conflict of interest.
- (3) The audit committee shall have:
  - (a) adequate resources and authority to discharge its responsibilities;
  - (b) authority to investigate any matter within its terms or reference;
  - (c) authority to employ professional advice or assistance if it considers this necessary; and
  - (d) full access to any information it considers relevant.
- (4) The audit committee shall report to the Board and have written terms of reference, which deal clearly with its authority and duties.
- (5) The Board shall disclose in its annual report the composition and terms of reference of the audit committee and its activities during the year.

## **17. THE DUTIES OF THE AUDIT COMMITTEE**

- (1) The audit committee shall be responsible for overseeing the integrity of the accounting and financial reporting system and reporting to the Board on these matters.
- (2) The audit committee shall review the quarterly and year-end financial statements of the company, focusing particularly on:
  - (a) accounting policies and practices;
  - (b) significant adjustments arising from the audit;
  - (c) the going concern assumption; and
  - (d) compliance with the accounting standards of the Institute of Chartered Accountants (Ghana) and other legal requirements.
- (3) The responsibilities of the audit committee shall include the following with respect to the external audit:
  - (a) to consider the appointment of the external auditor, the audit fee and, if such an event occurs, the resignation or dismissal of the external auditor;
  - (b) to satisfy itself that the external auditor is independent and properly qualified;
  - (c) to discuss with the external auditor before the audit commences, the nature and scope of the audit, and ensure co-ordination where more than one audit firm is involved;
  - (d) to discuss problems and reservations arising from the interim and final audits, and any matter the external auditor may wish to discuss (in the absence of management where necessary);
  - (e) to review the management's response to the audit report and the auditor's letter to management; and
  - (f) to be a channel of communication between the external audit function and the Board.
- (4) The audit committee's responsibility in relation to internal audit shall include the following:
  - (a) to advise the Board on the creation of an internal audit function and, if created within the company, on the senior appointments or where internal audit is outsourced, on the appointment of the third-party internal auditor; (b) to be responsible for the internal audit function so that:
    - (i) where the internal audit department is within the company, the Chief Internal Auditor should report to the Chairman of the audit committee;
    - (ii) where internal audit is outsourced, the audit committee should be responsible for the oversight of the third party;

- (c) to review the adequacy, scope, functions, capacity, effectiveness and resources of the internal audit function, and ensure that it has the necessary authority to carry out its work;
  - (d) to review the internal audit program and results of the internal audit process and where necessary ensure that appropriate action is taken on the recommendations of the internal audit function;
  - (e) to review any appraisal or assessment of the performance of members of the internal audit function;
  - (f) to approve any appointment or termination of senior staff members of the internal audit function;
  - (g) to ensure that the internal audit function is independent of the activities of the company and is performed with impartiality, proficiency and due professional care;
  - (h) to consider the implications of the resignation of internal audit staff members and provide the resigning staff members an opportunity to submit reasons for resigning; and
  - (i) to review the internal auditor's report on internal controls no less frequently than every six months, give its views to the Board on that report and take and document such action as it considers appropriate in the light of that report.
- (5) The audit committee's responsibilities shall also include the following:
- (a) to review the adequacy of internal controls and of the degree of compliance with material policies, laws, the code of ethics and business practices of the company and to include the outcome of its review in a report on its activities in the company's annual report;
  - (b) to make recommendations to the Board with respect to the effectiveness of internal controls;
  - (c) to consider the major findings of internal investigations and management's response;
  - (d) to establish procedures for dealing fairly, promptly and effectively with complaints or other reports concerning the accounting, internal accounting controls, audit concerns, the code of ethics, violations of the law and other relevant matters referred to it by the Board;
  - (e) to consider and report on any related party transactions that may arise within the company or group, assessing in particular whether the price and other terms are consistent with an arm's length transaction and considering whether or not they are in the long term interests of the company as a whole and whether or not they should be subject to the approval of the shareholders at a general meeting;
  - (f) to commission and review internal audit reports on major transactions and other transactions, where requested by the director with particular responsibility for relations with minority shareholders, and to consider

and report on the effect of such transactions on the rights of minority shareholders; and

- (g) to consider other topics as defined by the Board.
- (6) The members of the audit committee shall:
- (a) meet the external auditors no less frequently than annually without the presence of executive Board members;
  - (b) take reasonable steps to ensure that they are properly informed, so that they can be vigilant and effective overseers of the financial reporting process and the company's internal controls;
  - (c) assist the auditor and management in protecting the auditor's independence.
- (7) The audit committee shall include, within the Board's annual report, a report on its work. That report shall include its confirmation that the external auditor was independent, appropriately qualified and acted with due care.

## **18. THE RISK COMMITTEE**

- (1) The risk committee shall have a minimum of three members, a majority of which (including the chairman) shall be independent non-executive directors.
- (2) The risk committee shall:
  - (a) review the risks facing the company;
  - (b) assess the importance of each area of risk to the company's strategy and objectives;
  - (c) assess the extent to which risks shall be accepted, be subject to mitigation or removed;
  - (d) consider the effectiveness of risk mitigation measures; and
  - (e) make recommendations to the Board on its risk management strategy, taking account of the provisions of Code paragraph (7).
- (3) The risk committee shall report on its activities in the annual report.

## **19. THE NOMINATION AND COMPENSATION COMMITTEE**

- (1) The nomination and compensation committee shall be responsible for the operation of the nomination policy and for developing a succession plan for the CEO and other senior executive officers as determined by the Board.
- (2) The nomination and compensation committee shall consist of no less than three members, a majority of the members of which (including its chairman) shall be independent non-executive directors.
- (3) The nomination and compensation committee shall adopt a procedure that assesses candidates thoroughly and fairly.
- (4) The nomination and compensation committee shall consider for appointment only persons of calibre, who have the necessary skills and expertise to exercise independent judgement on issues that are necessary to promote the company's objectives and performance in its area of business.
- (5) The nomination and compensation committee shall recommend an induction programme to the Board and a programme of training.
- (6) The nomination and compensation committee shall review annually whether any further training shall be supplied to Board members and make recommendations accordingly.
- (7) The nomination and compensation committee shall on an annual basis:
  - (a) review the required mix, skills, expertise and gender balance required by the Board;
  - (b) review the extent to which the elected directors meet the required mix of skills, expertise and gender balance;
  - (c) review the need for training for directors and make recommendations;
  - (d) review the extent to which elected directors reflect the broad shareholding structure; and
  - (e) report on the nominating process and its findings in respect of (a), (b), (c) and (d) above.
- (8) The nomination and compensation committee shall give an account of its activities in the company's annual report and this account shall include its assessment of the compliance of the Board and composition.



## **20. THE NOMINATION AND COMPENSATION COMMITTEE**

- (1) The committee shall also be responsible for recommending a remuneration policy to the Board for directors. The Board may invite the committee to suggest a policy that applies to other staff.
- (2) The committee shall have its responsibilities documented in its terms of reference.
- (3) The committee shall be formed of at least three directors, a majority of whom (including the chairman) shall be independent non-executive directors.
- (4) The committee shall recommend the remuneration of the directors and such members of the senior management as the Board may determine in its terms of reference.
- (5) The remuneration policy shall:
  - (a) be transparent and documented ;
  - (b) encourage high quality sustainable performance;
  - (c) encourage long term commitment to the company while minimising the risk of losses where there is early termination.
- (6) The committee shall oversee the application of the Board's remuneration policy.
- (7) The committee shall include in its annual report, its policies for remuneration as well as the actual compensation, pensions and emoluments of directors and past directors in accordance with the Companies Act 2019 Act 992 and further comparable information concerning the senior executives.

## **FINANCIAL STATEMENTS AND CONTROLS**

### **21.FINANCIAL STATEMENTS**

- (1) The financial statements prepared by the Board shall be:
  - (a) accurate, presenting a true, balanced, comprehensible and fair picture of the company's financial position;
  - (b) consistent with the Board's accounting policies;
  - (c) consistent with the accounting standards issued by the Institute of Chartered Accountants (Ghana); and
  - (d) comparable, taking one year with another, including both annual and interim statements.
- (2) The annual and interim financial statements shall be submitted to shareholders in accordance with the law and regulation.
- (3) The annual report of the company shall contain the audited financial statements and shall include the auditor's report.

## **22. ANNUAL REPORT**

- (1) The directors' annual report published in accordance with the Companies Act, 2019 (Act 992), shall include a statement from the Board accepting responsibility for the information contained in the report and the financial statements annexed thereto.
- (2) The annual report shall include a list of directors (showing their qualifications, experience and other directorships and material interests), any appointments, resignations or dismissals that have occurred during the period. The committees on which the directors serve and their attendance record shall also be shown. The shareholdings in the company of each director shall also be disclosed.
- (3) The annual report shall reiterate and describe any material changes to the company's objectives and include a discussion and analysis of the company's performance and financial condition for the period under review and its future prospects, with emphasis on the next financial year.
- (4) The annual report shall include a discussion of trends that may affect the future performance of the company.
- (5) The annual report shall contain a statement from the Board as to the adequacy of the internal control mechanisms and procedures of the company.
- (6) The annual report shall include the financial statements and the auditor's report.
- (7) Material foreseeable risk factors shall also be described and assessed in the annual report together with the measures taken to mitigate the risk.
- (8) The annual report shall contain a statement from the Board as to the degree of compliance of the company with any regulatory and other legal requirements governing its composition and operations in respect of the period under review. This statement shall include the number of meetings of the Board and Committees, the attendance of directors at such meetings and whether or not the Board conducted an evaluation of its performance in accordance with this Code.
- (9) The annual report shall contain a detailed statement from the Board as to the company's degree of compliance with the corporate governance practices specified in this Code.
- (10) The annual report shall include reports from the chairmen of the committees.
- (11) The annual report shall include disclosure of any controlling interest and substantial shareholdings and any transactions which result in changes in controlling interest and substantial shareholdings. Substantial beneficial ownership interests in the company shall also be disclosed.

### **23. INDEPENDENT EXTERNAL AUDITORS**

- (1) The Board shall establish a formal and transparent arrangement for the appointment of independent external auditors by the annual general meeting of shareholders.
- (2) The Board shall ensure that:
  - (a) the auditor is independent and meets the standard of independence required by law;
  - (b) on reasonable enquiry, the Board knows of no reason why the auditor shall not serve as auditor
  - (c) any services provided by the auditor to the company in addition to audit, do not violate auditor independence standards as established by law or the appropriate standard setting authority;
  - (d) the auditor is appropriately qualified in accordance with Section 138 of the Companies Act, 2019 (Act 992) and the Securities Industry Act, 2016 (Act 929), has appropriate professional indemnity insurance and is authorised and competent to conduct an audit of the accounts;
  - (e) the auditor is provided by the company with all information that is relevant to the audit;
  - (f) the auditor has the right of access to all accounting and other records of the company and the right to require such information and explanations as the auditor considers necessary to perform its functions; and
  - (g) all information and explanations given to the auditor is accurate and neither false nor misleading.
- (3) The Board shall arrange for the financial statements to be audited by the external auditor in accordance with Sections 128 and 137 of the Companies Act, 2019 (Act 992) and with accounting standards issued by the Institute of Chartered Accountants (Ghana).
- (4) The external auditor shall be required to specify in his report if the financial statements audited have been prepared in accordance with the Accounting Standards issued by the Institute of Chartered Accountants (Ghana) and any additional requirements prescribed by the Commission.
- (5) The external auditor's report on the financial statements of the company shall specify any departure from the accounting standards and shall contain the auditor's opinion as to whether or not the auditor acquiesces with the departure and the reasons given for such departure.
- (6) The external auditor's report shall also specify any departure or deviation from the auditing standards on his part and the reasons for the same.
- (7) An auditor's resignation or refusal to stand for re-election shall be accompanied by an explanation by the auditor, which the company shall circulate to all shareholders. Where the directors propose a resolution for the

removal of the auditor, in accordance with Section 141 of the Companies Act, 2019 (Act 992), the Board shall give their reasons to the shareholders.

## **24. INTERNAL CONTROLS**

- (1) The Board is responsible for adopting an internal organisational structure and the policies and procedures (referred to as internal controls) of the company that are appropriate for the nature of the business in which the company is engaged and for monitoring its management in ensuring adherence to those controls on a day to day basis.
- (2) The Board shall maintain a sound system of internal control to:
  - (a) safeguard the shareholders' investments and assets;
  - (b) implement the Board's policies and risk mitigation measures;
  - (c) comply with the law, this Code and other applicable statutory and regulatory requirements; and
  - (d) ensure the implementation of the Board's business strategy, policies and code of ethics.
- (3) The Board shall ensure that for employees responsible for the administration of the company, except where the Board determines that the nature of the post makes it unnecessary:
  - (a) there is a description of the duties of the post;
  - (b) the employee knows the standards of conduct that are expected of them;
  - (c) there is a description of the authority and responsibility of the post holder, of the key areas of discretion of the post, which shall include a description of the limits of that discretion and the criteria to be applied in exercising that discretion;
  - (d) the description of duties for each employee shall define the extent to which that employee may commit the company to expenditure, market positions or other financial commitments; and
  - (e) there is a designated person who has oversight responsibility for the officer occupying the post and for ensuring that discretion is exercised in accordance with the established parameters.
- (4) The Board shall ensure that there are adequate financial controls, including the determination of what shall be regarded as a significant financial commitment and a requirement for dual signatures prior to the company accepting such a commitment.
- (5) The Board shall maintain such records as are necessary for the administration of the business, the monitoring of its financial position, the condition of its assets and the assessment of risks and opportunities.

## **25. INTERNAL AUDIT**

- (1) The Board shall establish an internal audit function and shall, on the advice of the audit committee, appoint an internal auditor who shall have appropriate qualifications and who may be:
  - (a) a member of staff; or
  - (b) an external appointment.
- (2) The internal auditor shall report to the audit committee.
- (3) The internal auditor may carry out other functions, provided that those functions are not subject to internal audit or create conflicts of interest with the internal audit function.
- (4) The purpose, responsibility, resources and authority of the internal auditor shall be documented. They shall be determined by the Board, on the advice of the audit committee, taking account of the guidance and requirements of the Institute of Internal Auditors of Ghana. The responsibilities shall include:
  - (a) advising the audit committee on the evaluation of the effectiveness of internal controls, risk management and management information systems;
  - (b) reporting any weaknesses in internal controls to the audit committee;
  - (c) reporting to the audit committee no less frequently than every six months;
  - (d) reviewing major transactions and related party transactions;
  - (e) reviewing other transactions as required by the audit committee, including when requested by the director with particular responsibility for relations with minority shareholders, to consider the effect of such transactions on the company as a whole and on the rights of minority shareholders in particular; and
  - (f) performing any other duty that the Board may regard as appropriate, provided that it does not conflict with the duties of an internal auditor.
- (5) The Board shall ensure that the internal auditor:
  - (a) has sufficient seniority, authority, resources and skills to carry out the tasks;
  - (b) determines an annual audit programme that is subject to the approval of the audit committee;
  - (c) has the right to issue any report directly to the audit committee whether or not the audit committee has asked for such a report;
  - (d) is able, without seeking any other prior authority:
    - (i) to examine all books, documents and other records, in whatever media they are held; and

- (ii) to interview any Board member, employee, agent or other relevant person about any aspect of their work.
- (6) The audit committee shall review the report of the internal auditor on internal controls, no less frequently than every six months and shall report to the Board no less frequently than annually.
- (7) The internal auditor shall communicate regularly with the external auditor and shall share reports and audit findings and risk information.



## **26. RECORD KEEPING**

- (1) The Board shall maintain all records reasonably required for the orderly management of the business. In addition to the requirements of Section 127 of the Companies Act, 2019 (Act 992), these records shall include all records that will correctly record and explain the transactions and financial position of the business of the company.
- (2) The records maintained by a company shall be:
  - (a) kept in English or in a manner that will enable them to be readily converted into English within a reasonable time;
  - (b) be readily accessible;
  - (c) kept up to date; and
  - (d) kept in a manner that will enable the income statement and statement of financial position of the company to be conveniently and properly audited.
- (3) Records shall be kept, whether in electronic or other form and shall be:
  - (a) subject to appropriate procedures which ensure that records are made, amended, or erased, only by authorised persons and only in a manner that complies with the duties of the company to keep proper records;
  - (b) stored so as to:
    - (i) minimise any risk of their loss due to theft, fire, flood, corruption or unauthorised amendment;
    - (ii) prevent unauthorised access; and
  - (c) backed up or otherwise duplicated so that copies shall be available if the originals are lost, destroyed, corrupted or amended other than in accordance with the company's procedures.
- (4) Records, including duplicates, shall be kept for at least seven years, from the date of the matter being recorded.

## **27. CODE OF ETHICS**

- (1) The Board shall adopt a code of ethics and circulate it to staff.
- (2) All staff shall be required to review and abide by the code of ethics.
- (3) Directors and staff should confirm in writing, annually that they have read and understood the code of ethics.
- (4) The code of ethics shall:
  - (a) commit the company to the highest standards of professional behaviour and business conduct;
  - (b) be developed in association with management and employees;
  - (c) receive total commitment in respect of its implementation from the Board and the managing director/chief executive officer of the company;
  - (d) be sufficiently detailed as to give clear guidance to users, especially with respect to the conduct to be adopted where an employee is faced with circumstances that the Board considers may pose a risk to the standards of conduct it considers appropriate or may create a conflict of interest;
  - (e) give details of the sanctions that should apply when the Code is breached; and
  - (f) be reviewed regularly and updated when necessary.
- (4) The implementation of the code of ethics shall be monitored by the audit committee and reviewed regularly. The committee shall report to the Board no less frequently than annually.
- (5) The code of ethics shall be described in the Board Charter.

## **28. WHISTLE BLOWING**

- (1) The Board shall appoint a person to whom disclosures may be made in good faith by employees and others who have concerns that any behaviour or activities of the company, its management or its employees or agents may be improper.
- (2) The person may be an independent director, or the function may be outsourced to a third party reporting to the audit committee.
- (3) The arrangements shall include:
  - (a) the ability of the whistle blower to make reports anonymously if he or she so chooses;
  - (b) a facility to investigate the concerns and to prepare a report to the Board or one of its committees;
  - (c) protection for the whistle blower against retaliation by the company, management employees or agents;
  - (d) penalties for reports made by whistle blowers for malicious purposes.
- (4) The Board may require its employees or agents to exhaust internal complaints grievance or appeals procedures before making a report under this Code paragraph unless the whistle blower has reason to believe that existing complaints, grievances or appeals procedures would not be effective or may result in action taken against the whistle blower.
- (5) The facility for making such whistle blowing reports shall be described on the company's web site.

**RELATIONSHIPS WITH SHAREHOLDERS**  
**29.APPROVAL OF MAJOR DECISIONS BY SHAREHOLDERS**

- (1) Major decisions of the company such as the disposal of the company's significant assets, restructuring, capital raising, takeovers, mergers, acquisitions or reorganization shall be subject to the approval of shareholders at a general meeting according to the Companies' Act.
- (2) For each major decision, the Board shall ensure that sufficient information is supplied to shareholders in good time to enable them to be able to make a fully considered judgement on the matter to be determined. The information to be provided shall:
  - (a) include the advantages, and disadvantages of the proposal;
  - (b) the monetary costs and potential return;
  - (c) the effect on the rights of shareholders in general including any particular effect on minority shareholders;
  - (d) the risks associated with the proposal; and
  - (e) any other information that might reasonably be regarded as material to the decision, even if it is detrimental to the case the Board is putting forward.

### **30. GENERAL MEETINGS**

- (1) When arranging general meetings, the Board shall provide to all its shareholders, sufficient and timely information concerning the date, location and agenda of the general meeting as well as full and timely information regarding issues to be decided during the general meeting.
- (2) The information to be given to the shareholders shall be sufficient to enable them to make a fully considered judgement on any matter to be determined, including all material information whether supporting or contrary to the proposal being put forward.
- (3) Shareholders shall be given the opportunity to place matters for discussion on the agenda of the general meeting.
- (4) The Board shall make shareholders expenses and convenience the primary criteria when selecting venue and location of annual general meetings.
- (5) The Board shall ensure that all shareholders have equal access to corporate information.
- (6) Issues to be decided by the general meeting shall be presented discretely and disparate matters shall not be combined for a single decision.
- (7) The Board shall ensure that shareholders have the right to put questions to the directors and shall provide sufficient time for shareholders questions on matters pertaining to the company's performances. The directors shall make themselves available to respond to questions put by the shareholders.
- (8) Voting by means other than personal attendance at a specified venue shall be facilitated so far as possible and reasonable.
- (9) All members of the Board should normally be present at annual meetings.

### **31. RIGHTS OF SHAREHOLDERS**

- (1) The Board shall promote and protect shareholders' rights and in particular ensure that:
  - (a) all shareholders, including the minority shareholders, receive equitable treatment;
  - (b) all shareholders receive relevant information on the company's performance through timely distribution of regular annual reports and accounts, half-yearly results and quarterly results;
  - (c) all shareholders are encouraged to participate in the general meetings, to ask questions and to exercise their votes;
  - (d) all shareholders shall be treated equitably in accordance with the law, this Code and the company's constitution in respect of the distribution of profits in the form of dividends and other rights for bonus, shares, script, dividend or rights issue, as applicable, in the proportion of its shareholding in the company's share capital and in a timely manner, such that dividends, once declared, shall be paid within 6 months;
  - (e) institutional investors are encouraged to vote during the annual general meetings of the company;
  - (f) institutional investors are also encouraged to make direct contact with the company's senior management and Board members to discuss performance and corporate governance matters;
  - (g) regular investor briefings are arranged when the results are declared or as may be necessary to explain their performance and promote interaction with investors; and
  - (h) the website of the company is used as an effective communication channel with shareholders as well as interaction among shareholders and the company.
- (2) When electing members of the Board, shareholders shall be provided, in a timely manner, with full biographical information about the candidates including:
  - (a) name, age and country of principal residence;
  - (b) whether appointment is executive and if so the specific area of responsibility;
  - (c) for non-executive directors, whether the director is considered to be independent;
  - (d) working experience and occupation during the past ten years;
  - (e) other directorships and material interests (present and for the past five years);
  - (f) shareholding in the company and its subsidiaries;

- (g) family relationship with any director and/or majority or substantial shareholder of the company or its principal subsidiaries; and
  - (h) any conflict of interest.
- (3) The Board shall provide shareholders, in advance of the meeting, the report made by the nominating committee.

### **32. RELATIONS WITH INVESTORS**

- (1) The Board shall appoint a person with responsibility for relations with investors. This person shall have the resources necessary to fulfil his/her function. The investor relations officer may have other duties.
- (2) The investor relations officer shall be the first point of contact between investors and the company. He or she shall be responsible for:
  - (a) providing financial and non-financial information to investors, financial analysts and their representatives in a timely and accurate way;
  - (b) reporting investor concerns to the Board; and
  - (c) ensuring that the statutory provisions and the provisions in this Code, regarding communications with investors and shareholders, are met.
- (3) The responsibilities of the Investor relations Officer shall be described in the Board Charter.



### **33. CONDUCT OF GENERAL MEETINGS**

- (1) The Board shall ensure that shareholders' rights of full participation at general meetings are protected by giving shareholders –
  - (a) sufficient information on voting rules and procedures;
  - (b) information on rules, policies and procedures on the Bank's website;
  - (c) the opportunity to question the Board and management;
  - (d) the opportunity to place items on the agenda at general meetings in accordance with the constitution of the company; and
  - (e) the opportunity to vote in absentia.

### **34. DISCLOSURE OF INFORMATION**

- (1) The Board shall disclose any price sensitive information in a timely manner in accordance with the law.
- (2) If the Board considers that, in wholly exceptional circumstances, disclosure of price sensitive information would be commercially damaging, it may seek the permission of the Securities and Exchange Commission to defer disclosure but shall also take action, such as seeking a suspension of trading in the company's securities, to prevent the creation of a false market in the price of the securities.
- (3) The Board shall also disclose changes in shareholdings that result in a person becoming a substantial or majority shareholder.
- (4) The Board shall ensure that the company has an active website that is accessible to the general public. That web site shall:
  - (a) be kept up to date;
  - (b) include all information that is required to be published by law or any other legislative or regulatory requirements;
  - (c) include any other material information that is necessary for shareholders to monitor the company's performance; and
  - (d) the website shall include the company's annual reports (including its financial statements|), the company's statement of risks and key policies, compliance with the Securites & Exchange Corporate Governance Code information about forthcoming events affecting shareholders (including meetings) and contact details for whistle blowing and investor relations.

### **35. RELATIONS WITH STAKEHOLDERS**

- (1) The Board shall monitor the company's relationship with stakeholders and endeavour to increase shareholder value by maintaining good relations with stakeholders.
- (2) The Board shall adopt a policy with respect to its approach to key stakeholders, including employees, creditors, suppliers and residents who live in the close vicinity of its properties

**MISCELLANEOUS**  
**36.PENALTIES**

In the event of a breach of the Securites & Exchange Corporate Governance Code, the Securites and Exchange Commission may impose a penalty.

### **37. Interpretation**

(1) In this Charter all definitions have the same meaning as those in the Companies Act, 2019 (Act 992) ;

“Act” means the Securities Industry Act 2016 (Act 929);

“Board” means the Board of directors;

“Companies Act” means the Companies Act, 2019 (Act 992);

“constitution” means the Regulations as defined in Section 26 of the Companies Act, 2019 (Act 992), for those companies which retained them, memorandum and articles of association;

“corporate governance” means the process and structure used to direct and manage business affairs of the company towards enhancing prosperity and corporate accounting with the ultimate objective of realizing shareholders long-term value while taking into account the interest of other stakeholders;

“executive director” means a director who is involved in the administrative or managerial operations of the company;

“independent director” means a director who –

- (a) is not a substantial or majority shareholder of the company;
- (b) is not associated with any majority or substantial shareholder of the company, whether through business, family or personal relationships, political affiliation or in any other way;
- (c) has not been employed by the company in an executive capacity within the last three years;
- (d) has not been a director of the company for more than 9 years;
- (e) is not affiliated to an advisor or consultant to the company or a member of the company’s senior management or a significant customer or supplier of the company or with a not-for-profit entity that receives significant contributions from the company;
- (f) has not had any business relationship with the company (other than service as a director) within the past five years;
- (g) is not a significant supplier or customer of the company;
- (h) is not employed by a public company at which an executive officer of the company serves as a director;
- (i) is not a member of the immediate family of any natural person described above; or has not had any of the relationships described above with any affiliate of the company;
- (j) is free from any other relationship with the company which may interfere with his or her capacity to act in an independent manner.

“listed company” means a company any of whose securities are listed or admitted to trading on the securities market of a securities exchange;

“non-executive director” means a director who is not involved in the administrative or managerial operations of the company;

“majority shareholder” means a shareholder entitled to exercise or control the exercise of fifty per cent or more of the voting power at a general meeting of the company; “minority shareholder” means a shareholder who is not a majority or substantial shareholder.

“substantial shareholder” has the meaning given in the Securities Industry Act.

## **0.1. APPENDIX**

### **Guidelines For Use**

1. Before the Board of Directors Meetings
2. During the Board of Directors Meetings
3. After the Board of Directors Meetings
4. The Board of Directors Tools
5. Themes and Topics for Board and Committee Meetings
6. Procedure for a Compliance Opinion on Appointing/ Renewing a Corporate Officer
7. Board Self-Appraisal Template
8. Qualification Criteria for Board Secretary

## 1. Guidelines for Use Before the Board of Directors Meeting

B E F O R E  B O A R D  O F  D I R E C T O R S ,  M E E T I N G S	Annual agenda and timetable of Board of Directors' meetings (regular meetings must be established in advance)	Management of corporate affairs/Secretary of the Board of Directors	Chairman of the Board of Directors
	Format of the management report, format of the corporate governance report, format of draft decisions and agendas	Management of corporate affairs/Secretary of the Board of Directors	Chairman of the Board of Directors
	Appointment of a Secretary of the Board of Directors (contact within the BU). This function may be mentioned in the by-laws, internal rules and minutes of the Board meeting leading to the appointment of the Secretary.	Chairman of the Board of Directors	Chairman of the Board of Directors
	1. Explore topics to put in the agenda by consulting other Directors, in particular the Chairmen of Board committees and the General Management. 2. The Chairman of the Board of Directors drafts/validates the agenda. 3. The Chairman lists the issues to be examined during the meeting, checking that all the subjects addressed fall within the Board's remit. 4. The Chairman of the Board of Directors is responsible for organising and directing the work of the Board of Directors. He ensures the proper functioning of the company's management bodies and verifies that the Directors are able to carry out their roles. If provided by the by-laws, he has a casting vote when the deliberations of the Board of Directors result in a tie. 5. The Chairman is also responsible for convening, chairing, managing the Board and ensuring that Directors have the necessary information, unless he delegates these tasks to the Secretary of the Board of Directors. 6. He decides the date of and chairs the General Meeting unless if during the Board meeting that convenes this General Meeting, he appoints another person to chair this General Meeting.	Management of corporate affairs/Secretary of the Board of Directors	Chairman of the Board of Directors
	Establish the agenda: 1. Place the most important subjects at the top of the agenda just after the mandatory points at the beginning, 2. Ensure that the points addressed are logical (validation of the budget/risk limits/strategy) 3. Propose the timing of points on the agenda. This will make it possible to call the meeting to order when the prescribed time for a point is about to end, 4. Remember that the Board of Directors' added value lies in its key contribution in designing and implementing the strategy. This is why strategic points must be covered as a priority, 5. Take into account the minutes of previous Board of Directors' meetings when follow-up of a subject has been requested.	Management of corporate affairs/Secretary of the Board of Directors	Chairman of the Board of Directors
	Send meeting notices to Board members, providing for a reasonable timeframe. The procedures and form for meeting notices are set out in the by-laws. Meeting notices may be sent by e-mail to Directors and other participants provided that the parties concerned have given their agreement. This document must mention the date, time and location of the meeting.	Management of corporate affairs/Secretary of the Board of Directors	Chairman of the Board of Directors
	Organise the collection of supporting information documentation for the Board of Directors. Ensure that the documents to be examined are simple and short. Check that they are not too technical. Ensure that analyses and summaries have been made.	Management of corporate affairs/Secretary of the Board of Directors	Chairman of the Board of Directors
	Send the minutes of the previous meeting + agenda + information documents on the important subjects to be addressed. Ensure that the documents are connected to a point on the agenda and that this is clear.	Management of corporate affairs/Secretary of the Board of Directors	Chairman of the Board of Directors
	Require each Board member to adequately prepare for the meeting and read the documents that have been transmitted to them in advance.	Chairman of the Board of Directors	Chairman of the Board of Directors



## Guidelines for Use During the Board of Directors Meeting

D U R I N G  B O D  M E E T I N G S	Welcome and opening remarks	Chairman of the Board of Directors	Chairman of the Board of Directors
	An attendance register must be kept and signed by the Directors. It is possible to use videoconferencing resources for deliberations if this is provided for in the internal rules, except for the examination of the annual financial statements.	Management of corporate affairs/Secretary of the Board of Directors	Chairman of the Board of Directors
	Opening of the meeting, verification that the quorum has been reached to ensure the meeting is valid and appointment of a meeting Chairman and Secretary.	Management of corporate affairs/Secretary of the Board of Directors	Chairman of the Board of Directors
	Reminder of the agenda. Any last minute change to the agenda must be notified to the members present, at the beginning of the meeting, by the Board or meeting Chairman who must obtain their agreement on the said change, prior to deliberating. Last minute changes to the agenda are only possible for Board of Directors' meetings. They are not possible for General Meetings whose agenda must be validated by the Board of Directors.	Chairman of the Board of Directors	Chairman of the Board of Directors
	Proposal for operating rules to ensure the smooth functioning of the meeting	Chairman of the Board of Directors	Chairman of the Board of Directors
	Review of the last meeting and validation of the minutes of the last meeting (ensuring that no subject has been omitted)	Chairman of the Board of Directors	Chairman of the Board of Directors
	At the end of each point on the agenda, the Chairman briefly and clearly summarises the main arguments and ideas put forward. This summary may be used to draft the minutes	Chairman of the Board of Directors	Chairman of the Board of Directors
	The chairman: .- conducts the discussions, ensuring that each Board member can express their opinion .- leads the discussion and monitors the speaking time of each member	Chairman of the Board of Directors	Chairman of the Board of Directors
	Decisions are made by a majority of the members present or represented, unless the by-laws provide for a higher majority. Possible review of the quorum depending on the subjects (related-party agreement, conflict of interest)	Directors	Directors
	Potential closed-door session at the end of the meeting or once a year (special time for the Directors to freely hold discussions without the presence of executive directors, consider the Board's effectiveness, possibilities for improving the internal dynamics, etc.): .- must include a time limit, .- overseen by the Chairman, .- must include monitoring.	Directors	Directors

## 2. Guidelines for Use After the Board of Directors Meeting

<p style="text-align: center; color: red;">A F T E R  B O D  M E E T I N G S</p>	<p>Drafting the minutes: .- must faithfully reflect the discussions, .- must be distributed rapidly after the Board meeting, .- it is advisable to submit the section of text that concerns them to each member for confirmation, prior to distribution. This is particularly useful where third parties are involved in Board meetings and do not receive the minutes. Therefore, they will not have another opportunity to verify the way in which their remarks have been reported, .- Information required: date and opening time of the meeting; location of the meeting; closing time of the meeting; arrival or departure of a participant during the meeting; name of Directors present, deemed to be present within the meaning of Article L. 225-37, excused or absent; presence or absence of persons called to attend the Board of Directors' meeting in accordance with a legal provision; presence of any other person who has attended part or all of the meeting (ensuring there is a clear distinction with permanent members); any occurrence of a technical incident relating to videoconferencing or telecommunication resources when it has disrupted the meeting; signatures. If the Chairman states that all or some of the information communicated during the Board meeting is confidential, as provided for in Article L. 225-37 of the French Commercial Code, it is important to mention this in the minutes. .- Since the legislator does not impose any drafting rules, it is important to find a balance between the two extremes i.e. a concise report focusing on the deliberations adopted and verbatim reporting of the interventions made by each participant during the session. The AFEP-MEDEF code can be referred to. It stipulates in Article 10 that "The minutes must summarise the discussions and specify the decisions made. The minutes are particularly important since they provide, where necessary, an audit trail of the Board's due diligence in carrying out its duties. Without being unnecessarily detailed, they must briefly mention the issues raised or any reservations expressed". Since the minutes are also a means of identifying, where necessary, the individual responsibility of Board members, it appears at least</p>	<p>Management of corporate affairs/Secretary of the Board of Directors</p>	<p>Chairman of the Board of Directors + validation by the Board of Directors</p>
--	--	--	--

### 3. The Board of Directors Tools

T H E  B O A R D  O F  D I R E C T O R S ,  T O O L S	Internal rules of the Board of Directors: describe the organisational structure and operation of the Board of Directors and its related committees (SG code - Book A Title III Section 4 Article A014)	Management of corporate affairs/Secretary of the Board of Directors	Validated by the Board of Directors
	Annual self-assessment by the Board of Directors: to improve the functioning of Board meetings, encourage constructive dialogue between Directors, increase the cohesion of the Board, better define the priorities, verify compliance with best practices. The self-assessment covers: the Board's composition (diversity, expertise and skills, independence, training), the operation of the Board (number and duration of meetings, subjects discussed), work and information processes (quality of the information and the preparation), behaviour (attendance,	Management of corporate affairs/Secretary of the Board of Directors	Chairman of the Board of Directors and Directors
	Information and training meetings	Chairman of the Board of Directors	Chairman of the Board of Directors

## 4. Themes and Topics for Board and Committee Meetings

	Board of Directors	
THEMES	SUBJECTS PRESENTED AT BOARD MEETINGS	Committee preparation (for companies with committees)
STRATEGY AND PERFORMANCE	Strategy review: new activities, changes in strategy, review of the legal structure.	Board
	Presentation and validation of the budget.	Board
	Review of the financing policy for activities.	Board
	All Policies	Board
	Review of the Company's financial position: economic results, balance sheet, outlook.	Board
	Implementation/review of the CSR policy in conjunction with the company's strategy - Promote the creation of long term value by the Company by taking into account social and environmental issues of its activities, - Regularly review social and environmental opportunities and risks, - Ensure that Executive officers implement a policy of non-discrimination and diversity, including balanced representation of women and men on governing bodies	Board
FINANCIAL STATEMENTS AND QUALITY OF THE INFORMATION	Presentation of the Management Report and the Corporate Governance Report by the Board of Directors.	Audit Committee and Nomination Committee
	Examination of the publication process, the quality and reliability of published information	
	Presentation of the Statutory Auditors' report	Audit Committee
	Approval of the annual financial statements for the financial year ended N-1 and full discharge to the Directors.	Audit Committee
	Allocation of earnings.	Audit Committee
	Statutory Auditors' special report on the agreements governed by Article L 225-38 of the French Commercial Code.	Audit Committee
	Proposal for the appointment/renewal of the Statutory Auditors (statutory auditor 1 and statutory auditor 2, deputy if applicable).	Audit Committee

RISK MANAGEMENT AND MONITORING, OVERALL RISK ASSESSMENT	<b><u>Risk management policies</u></b>	
	- Approval and regular review of the risk strategy and policies, - Determination of directions and control of the implementation of oversight systems in order to ensure effective and prudent management of the institution and - Examination of the overall risk appetite strategy, ensuring a sufficient level of capital (credit RWA, COREP, etc.) with regard to the risk assessment. Examination of risk appetite statements.	Risk Committee
	Examination of the incentives provided by the compensation policy with the entity's position regarding risk, capital, liquidity, as well as the time schedule of the expected benefits.	Compensation Committee
	Examination of policies implemented to comply with banking regulations and Group principles	Risk Committee
	Examination of the entity's provisioning policy and the policy for managing off-balance sheet commitment risks.	Risk Committee
	Ensuring that the prices of certain products and services offered to clients are compatible with the risk strategy, action plan when these prices do not correctly reflect the risks.	Risk Committee
	<b><u>Systems for overseeing and monitoring risk measures</u></b>	
	Approval of the overall risk limits set and reviewed by the Executive Directors <b>at least once a year</b> by formalising the <i>Risk Appetite Statement</i>	Risk Committee
	Examination of risk control processes, communication and frequency procedures regarding information on risk limits respect.	Risk Committee
	Examination of model risks (calculation of capital allocated to operational risks, models related to IFRS9, etc.),	Risk Committee
	Examination of the conclusions, analysis and results of risk measures on the different types of risk: market risks, overall interest rate risk, liquidity risk, settlement/delivery risk.	Risk Committee
	Delegation of the risk management function's responsibility to another regulated entity in the same Group.	Risk Committee
	Examination and annual approval of the bank recovery preventive system.	Risk Committee

<b>INTERNAL CONTROL SYSTEM</b>	Organisation and operation of Internal Control departments.	Audit Committee
	Examination at least twice a year of the activity and results of Internal Control (RCSA included)	Audit Committee
	Examination at least once a year with the Executive Directors of the following subjects: .- Key elements and main lessons learnt from the analysis and monitoring of risks to which the company is exposed, .- Business continuity and crisis management system, .- Measures taken to control outsourced activities and any resulting risks for the company,	Audit Committee
	Validation of the annual report on Internal Control	Audit Committee
	Validation of the annual report on AML/CFT controls	Audit Committee
	Examination of the system and review of the activity related to permanent control, examination of operational risks and significant incidents. The Executive Directors must keep the committee informed of the appointment of the Head of Permanent Control, who reports to the committee on the performance of his duties.	Audit Committee
	Examination of the periodic control activity: review and approval of internal audit plans, review of the result of assignments, monitoring of recommendations.	Audit Committee
	Examination of the information systems security features.	Audit Committee
	Examination of the security/safety features for premises and staff.	Audit Committee
	Monitoring of the relationship with the regulators, their observations and the implementation of recommendations. Letters and responses to letters, follow-up letters from prudential supervisors: the committee issues an opinion on draft responses to the regulators.	Audit Committee
	Information on the start of a mission by a supervisor.	Audit Committee
	Update on regulatory news.	Audit Committee
	Examination of legal risks.	Audit Committee
	Protecting the interests of minority shareholders.	Audit Committee
	Annual validation of the materiality criteria and thresholds for incidents revealed by Internal Control.	Audit Committee
<b>COMPENSATION</b>	Validation and regular review of the general principles of the compensation policy and control of their implementation.	Compensation Committee
	Consultative opinion on the compensation paid in N-1 to the regulated persons referred to in Article L 511-71 of the French Monetary and Financial Code.	Compensation Committee
	Proposal for authorisation to increase the variable component of the total compensation of the regulated persons referred to in Article L 511-71 of the French Monetary and Financial Code at most to twice the basic salary.	Compensation Committee

GOVERNANCE SYSTEM	Creation and/or delegation of specialised committees.	Nomination Committee
	Appointment of the Chairman of the Board of Directors.	Nomination Committee
	Appointment of Chairmen and members of specialised committees.	Nomination Committee
	Head office transfer.	
	Modification of the legal entity's by-laws.	
	Top-down information from the parent company's committees to the Board of Directors of the subsidiary when the subsidiary has delegated to its parent company.	✓
	Appointment of the Chief Executive Officer.	
	Appointment/Term of Office/Powers of the Deputy Chief Executive Officer(s).	Nomination Committee
	Resignation of a Director.	Nomination Committee
	Appointment of a Director (excluding co-optation).	Nomination Committee
	Co-opting of a Director to replace a Director who has resigned.	Nomination Committee
	Mandate/Powers given by the Chief Executive Officer to the head of a branch.	
	Preparation and convening of the annual Ordinary General Meeting.	
	Approval of outsourcing agreement or any modification to existing outsourcing agreements.	Audit Committee
	Information relating to sub-delegation (offshoring) by the entity where delegation is in progress.	Audit Committee
	Approval of internal rules or any modification of the company's internal rules.	Nomination Committee
	Examination of the governance system and assessment of its effectiveness	✓
	Self-assessment of the Board of Directors and of its work: questionnaire, making use of the results and action plan	Nomination Committee
	Delegation of permanent control's responsibilities to another regulated entity in the same group.	Audit Committee
	Delegation of periodic control's responsibilities to another regulated entity in the same group.	Audit Committee
	Delegation of responsibilities for compliance monitoring to another regulated entity in the same group.	Audit Committee
	Information relating to the delegation to SOCIETE GENERALE of Compliance Monitoring.	Audit Committee
	Information relating to the delegation to SOCIETE GENERALE of Permanent Control.	Audit Committee
	Information relating to the delegation to SOCIETE GENERALE of Periodic Control.	Audit Committee
	Information relating to the delegation to SOCIETE GENERALE of the AML/CFT system.	Audit Committee

## 5. Procedure for Compliance Opinion for Appointing or Renewing a Corporate Officer

<b>Procedure</b>	COMPLIANCE OPINION (CONFLICTS OF INTEREST AND REPUTATION) ON APPOINTING OR RENEWING A CORPORATE OFFICER
------------------	---

### I - CONTEXT

The Societe Generale Code makes provision in Book A- Title III- Governance of Subsidiaries, that Compliance departments are always to be consulted when appointing or renewing corporate officers for areas relating to compliance.

Corporate officers should not find themselves in a situation where their personal interests are not compatible with company interests which might influence the impartiality expected from them in carrying out their duties. In the same way, members of the Management Body should at all times be of sufficiently good repute to ensure a sound and prudent management of the entity.

Compliance departments should be consulted by the Corporate Officers Correspondent to give formal opinion on the following subjects:

- reputational and conflicts of interests risk when external persons take up corporate office positions or when they are renewed in a Group entity;
- reputational and conflicts of interest's risk in case of appointment or renewal of an employee as corporate officer in an entity that is not part of the Group or in case of doubt between its appointment and function as employee.

The corporate officer bearing the ultimate responsibility, he must provide the Compliance department with all necessary information allowing it to give an opinion.

### II - PURPOSE

The purpose of this procedure is:

- to help Corporate Officers Correspondents to refer to the dedicated compliance departments to **obtain an opinion on reputational risk and conflicts of interests** prior to appointment,
- to enable dedicated compliance departments to provide consistent opinions within the Group,
- to define roles within Compliance between the concerned subsidiary



### III - INFORMATION NECESSARY FOR THE FILE ANALYSIS

#### **1 - Updated CV and list of corporate officer positions**

The CV must be up to date and include the following information:

- Education/courses
- Professional experience
- List of skills/ aptitudes acquired
- List of corporate officer positions

When an appointment file has been sent to the regulator it may also be provided to the compliance department as it generally includes a list of corporate officer positions, potential conflict of interest situations and questions relating to the reputation which may help in compliance analysis.

#### **2 - Assessment of risks relating to conflicts of interest**

Managing conflict of interest risks is set out in the Societe Generale Code -Book B- Title VI-Section 4. Group employees must ensure not to find themselves in a situation of conflict of interests when they take up an external corporate office position (whether privately or on behalf of the Group). The appointments which are particularly likely to present a risk of conflict of interests are those in companies present in one of the sectors of activity of the Societe Generale group, those in a customer or a supplier or in a company applying know-how acquired in the Group.

In the same way it should be ensured that external persons taking corporate office positions within the Group are not likely to find themselves in a situation of conflict of interests because of their function, their other corporate office position, their commercial relations or their financial commitments with the Group.

The questionnaire set out below is to be completed by the corporate officer to enable the compliance department to precisely assess potential conflicts of interest.

<b>SITUATIONS OF CONFLICT OF INTEREST</b>	<b>YES/NO</b>	<b>DETAILS</b>
Does the corporate officer have a close personal relationship with a member of the board of directors, any decision-making body, a key function holder within the entity, its subsidiaries or SOCIETE GENERALE?		

Is the corporate officer involved personally, professionally or through a company, in legal proceedings against the entity, its subsidiaries or SOCIETE GENERALE?		
Does the corporate officer carry out significant business or transactions, in private or through a company, with the entity, its subsidiaries or SOCIETE GENERALE?		
Does the corporate officer carry out duties in a competitor or in a company not compatible with the entity, its subsidiaries or SOCIETE GENERALE (e.g. a depository management /audit company)?		
Does the corporate officer hold a substantial financial interest in or financial obligation to <sup>1</sup> : - the entity; - SOCIETE GENERALE or the subsidiaries of the entity; - one of the entity or Societe Generale Group customers - one of the entity or Societe Generale Group competitors. - one of the entity or Societe Generale Group suppliers		
has the corporate officer maintained significant commercial relationship with the entity, its subsidiaries one of its competitors or SOCIETE GENERALE for the 5 last years?		
Does or did the corporate officer hold a position of high political influence during the two last years? <sup>2</sup>		

<sup>1</sup> Examples of financial interests/obligations are shareholdings, other investments and loans.

The substantiality depends on what (financial) value the interest or obligation represents to the financial resources of the appointee. The following would in principle be considered non-material:

- all non-preferential (i.e. under standard market conditions of the relevant bank), secured, personal loans (such as a private mortgages) that are performing;
- all other non-preferential performing, secured loans under 200,000 Euros, secured or otherwise;
- current shareholdings lower than 1% or other investments of equivalent value

<sup>2</sup> High influence" is possible at every level: local politician (e.g. mayor); regional or national politician (e.g. cabinet); public employee (e.g. governmental job); or state representative. The materiality of the conflict-of-interest depends on whether there are specific powers or obligations inherent in the political role which would hinder the appointee from acting in the interest of the entity.

### **3- Assessment of risks relating to reputation**

Managing reputation risks is set out in the Societe Generale Code -Book B- Title V- Section 2. The review of risk to reputation consists in ensuring that there is no Negative Information relating to an external person taking up a corporate office position in a Group company or relating to an external company in which one of our employees wishes to take up a corporate office position.

"Negative Information" is unfavourable information relating to a person, a company or their entourage such as:

- penal, civil or administrative proceedings
- disciplinary measures
- sanctions by public authorities or professional organisations,
- bankruptcy or insolvency proceedings (restructuring proceedings, liquidation)
- withdrawal, revocation, prohibition from managing or cancelling of registration, of membership or licence relating to the exercise of a commercial or professional activity
- money laundering or financing of terrorism,
- corruption, fraud, tax avoidance or other connected offences

This information may be sought out using any means and in the context of usual due diligence used on our customers:

- Word check
- Forces-on-line
- Factiva/Dow Jones
- Vizir SG
- Public sources
- Lexis diligence
- Exclusion list
- SG Watch list

## **II. INDIVIDUAL AND COLLECTIVE CONDUCT GUIDELINES**

The harmonious development of our Group is based on trust, both between employees and between the Group and its employees. Maintaining this trust requires adherence, at all levels, with a certain number of rules regarding conduct.

Some clear and well-defined principles make useful benchmarks. They do not cover every ethical situation but serve as guidelines where there is doubt or uncertainty regarding the stance to adopt.

Each of us always adheres to all agreements, Directives and Instructions in force within the Group.

Everyone demonstrates loyalty and fairness and fosters good relationships with our colleagues. They undertake to act in accordance with our Group's values.

Everyone ensures that the activities dependent on them are conducted in accordance with our Group's existing policies and procedures as regards the protection of health, safety and the environment.

Each of us takes the social, economic and environmental consequences of our decisions into consideration.

Over and above compliance with laws and regulations, everyone acts with integrity both inside and outside the company when they are representing it.

Restraint is to be exercised when making statements on any Group-related matter outside of the Group.

Everyone contributes toward the implementation of our best practices and co-operates with the internal audit and control processes diligently and transparently.

### **A. Maintaining the confidentiality of information**

Business confidentiality is an essential component of our role as bankers. It applies under all circumstances and to all types of media, including new communication channels such as social networks. Individuals are the custodians of - and responsible for - the confidential information they receive. They may only use such information internally for business purposes and must not disclose it outside the company unless permitted to do so or where required to do so by the law, in particular at the request of certain courts or the supervisory bodies for the banking profession.

Some confidential information may be deemed inside information in the sense of banking and financial regulations. Those of us in possession of inside information, either owing to our function or unintentionally, are subject to special confidentiality obligations and a duty to disclose or abstain from trading.

Electronic mail is to be categorised on the basis of the confidentiality level of the information it contains.

The sending of information of a professional nature outside the Group via messaging services or other external media that are unrelated to the professional environment is prohibited in principle. In exceptional cases, information of this kind may be sent, primarily via a personal messaging service, under the conditions provided for in internal procedures.

### **Market integrity**

Everyone of us must act in a responsible manner and respect market integrity. Everyone acts in strict compliance with the standards and principles that govern transactions on financial markets, by abstaining from any behaviour or action likely to distort competition, or to alter reality or transparency where other market participants and the regulatory authorities are concerned.

Everyone complies with the domestic and international rules to combat market abuse, and exercises ongoing vigilance to protect market integrity.

The following are specifically prohibited: breaching insider trading rules, disclosing inside information in an illegal manner, disseminating information that sends false or misleading signals to the markets, or manipulating prices.

Any suspicion of a case of market abuse must be reported to the persons in charge of compliance.

### **Conflicts of interest**

Each of us refrains from maintaining personal relationships with our clients, partners and suppliers which could compromise our professional duties or place us in a situation of conflict of interest. We report to our line management and the Compliance department any conflict of interest to which we might be subject.

We must avoid our own interests or those of our immediate circle entering into conflict with our Group's interest. Where there is any doubt about particular transactions or situations with respect to this Code of Conduct or any applicable Instructions, we should seek advice from our line management and the Compliance department. Everyone must avoid taking any financial interest in a competitor, supplier or client without prior permission in writing from their line management and the Compliance department.

Where one of us may be considered as a Group representative, he or she must refrain from involving our Group or any Group entity in any public activities or responsibilities that he or she may exercise outside of the Group

## **D. Dealing with our clients and suppliers**

We must all meet the commitments made in our dealings with our clients, partners and suppliers, treating them fairly and making any choices necessary on the basis of objective criteria.

All corrupt practices are prohibited. Those of us who are subject to pressure or requests from third parties must inform their line management.

Gifts to our clients or their representatives must be modest and comply with the rules set by our Group's entities. The same applies as regards individuals in positions of public authority, government officials and similar persons.

Similarly, each of us will strictly adhere to the value limits that apply in our entity to gifts or invitations from our clients or any other business relationship.

To avoid any questionable situation, if necessary each of us must seek advice on the stance to be adopted from our line management.

As part of the provisions relating to the prevention of money laundering, terrorist financing and tax evasion, and in compliance with national and international rules on sanctions and embargos, everyone is continuously vigilant, and must follow customer identification and 'know your customer' procedures for all clients or instructing parties, along with all transaction verification procedures.

## **E. Use of resources**

Each of us ensures that our company's tangible, intangible, financial and property assets are protected and uses them reasonably, in compliance with the policies and procedures governing their use and application, as communicated to us. No one must make excessive personal use of the equipment and services made available to them.

Everyone strives to use resources economically and to take account of environmental aspects in their decision making.

## **III. COMPLIANCE WITH THE CODE OF CONDUCT**

Every one of us, both permanent and temporary employees, must comply with the Code of Conduct, thereby contributing to the protection of our Group's most important asset, namely its **reputation**.

We collectively and individually ensure this Code is applied and that all of our actions comply with it, irrespective of our position within the Group.

Compliance with the Code of Conduct is in particular enforced by the application of the internal policies and procedures of our Group and its entities.

Everyone assumes their responsibilities on a day-to-day basis, and must not hesitate to share their questions and concerns, where applicable, in order to prevent any kind of risk.

If doubts remain, it may then be necessary to act as a whistle-blower.

## **A. Whistle-blowing**

Each of us is entitled to raise an alert if we feel that we have good reason to consider that an instruction received, a transaction or, more generally, any given situation of which we are personally aware does not seem to comply with the rules governing the Group's activities.

This right must be exercised in good faith and in a responsible, impartial, non-defamatory and non-abusive manner.

The Group protects whistleblowers, in particular against potential acts of retaliation or disciplinary sanctions, and ensures that their identity is kept strictly confidential.

## **B. How whistle-blowing works**

The whistleblower can be any a member of the Board, an employee, any external partner, and, as part of a duty of care, any provider with whom the Group maintains an established commercial relationship (subcontractors or suppliers).

The whistleblowing can be exercised on many levels: For staff:

- firstly, by contacting your direct or indirect management, or by directly contacting the local Chief Compliance Officer (CCO);
- secondly, if these means of communication are not appropriate, by contacting the Group's Head of Compliance directly using a whistleblowing tool hosted by a secure website which ensures that personal data is protected and kept strictly confidential.

In the case of service providers, the right to raise an alert is exercised directly using the whistleblowing tool described above.

The recipients of the alert ensure that investigations are conducted with the greatest possible level of confidentiality compatible with the requirements of the enquiry.

The possibility of raising an alert anonymously is a principle guaranteed (\*) by the Group, which provides the means necessary to allow this form of communication. Nonetheless, knowing the identity of the whistleblower (while keeping it confidential) may make it easier to deploy all the necessary investigative measures.

These procedures for exercising the right to raise an alert apply to all Group entities, regardless of the country in which they are based. If necessary, entities can add to them in their regulatory documentation in order to reflect specific local regulations.

(\*) Subject to national legislation which may prevent anonymity.



## BOARD SELF EVALUATION FORM UPDATED

**Name of Director :** .....

**Year of Assessment :** .....



## SELF EVALUATION FORM

### 1. FUNCTIONS OF THE BOARD

	Y	N	Partially
1 The Board knows and understands the Bank's beliefs, values, mission and vision and reflects this understanding on key issues throughout the year.			
2 The Board devotes significant time and serious thought to the Bank's medium long term objectives and to the strategic options available to achieve them.			
3 The Board has defined and communicated to management the scope of powers, roles and responsibilities to be adhered to by management to meet routine and exceptional circumstances.			
4 Proposals from management are analysed and debated before being approved by the Board. A proposal which is not considered as appropriate is declined.			
5 The Board determines the objectives and measurement criteria for the Managing Director.			
6 The Board understands and agrees that its first duty is to serve the company, members and shareholders.			
7 Formal review of the Board's performance is an integral part of the culture of the Board and this review is done once a year.			
8 The Board ensures all conflicts of interest are: <ul style="list-style-type: none"> <li>a. declared</li> <li>b. resolved</li> </ul>			
9 The Board establishes committees in light of: <p>A The need to increase effectiveness of the Board by utilizing the specialized skills of Board members.</p> <p>B The need to provide support and guidance to management.</p> <p>C The need to ensure effective and independent consideration of some issues e.g. audit reports, risk issues etc.</p>			

## 2. BOARD MEETING MANAGEMENT AND PROCEDURES

	Y	N	Partially
<p>1 Every Board member is supplied with schedule of meetings showing dates of Board meetings, committee meetings and key or critical events of the company.</p> <p>2 Board meetings are conducted in a way that encourages open communication, meaningful participation and timely resolution of issues.</p> <p>3 Board members receive timely and accurate minutes, advance written agendas and meeting notices; as well as background material to prepare in advance of meetings.</p> <p>4 Absenteeism from the Board meetings is an exception rather than the rule.</p> <p>5 All Board members receive copies of draft minutes and agenda papers in advance.</p> <p>6 All proceedings and Resolutions of the Board are recorded accurately, adequately and timely.</p>			

**3. APPOINTMENT, INDUCTION, TRAINING DEVELOPMENT, SUCCESSION AND REMOVAL OF DIRECTORS**

	Y	N	Partially
<p>1 Every Board member has been supplied with a letter of appointment; this letter defines the roles and functions of the Board and the specific role of each director.</p> <p>2 The composition of the Board fairly represents the diversity of the stakeholders.</p> <p>3 Board members evaluate their individual and overall Board performance on an annual basis.</p> <p>4 Directors understand the extent of their personal liability for the affairs of the company.</p> <p>5 Directors who have not been contributing to the governance of the company and are uninterested in improving their performance are asked to terminate.</p> <p>6 Board members bind themselves to uphold honour and respect the Code of Ethics of the Bank on first appointment and to resign where their actions are called into question.</p>			

#### 4. BOARD STRUCTURE

	Y	N	Partially
<ol style="list-style-type: none"> <li>1. The Board has a balanced mix of Executive, Non-Executive and Independent Non-Executive Directors.</li> <li>2. The role of chairperson of the Board and Chief Executive Officer are separated and held by different persons.</li> <li>3. The board has established committees with defined terms of reference, composition and reporting requirements. These aspects are formally recorded.</li> <li>4. The Board has established and appointed: <ol style="list-style-type: none"> <li>a. An Audit &amp; Accounts Committee</li> <li>b. A Risk Committee</li> <li>c. A Nomination &amp; Compensation Committee</li> <li>d. A Cyber &amp; Information Security Committee</li> <li>e. Independent Directors Committee</li> </ol> </li> <li>5. The Chairman of the Board is excluded from chairing specific committees.</li> <li>6. Membership of committees reflect division of labour.</li> </ol>			

## 5. INFORMATION AND COMMUNICATION

	Y	N	Partially
1. Every Board member receives a copy of the Board manual together with the letter of appointment on first appointment.			
2. Every Board member was supplied with all establishment instruments, all legal documents, on being appointed.			
3. Board members are encouraged to discuss matters with members of management after consultations with the Chairperson or the Managing Director.			
4. The Board receives sufficient information from management in an appropriate format as determined by the Board.			
5. The Board is proactive in developing an effective communication strategy for the company.			
6. The Company Secretary advises Board Members regularly on matters of governance and the applicable law.			
7. The Board encourages outreach programs to promote image of the Bank and to keep shareholders and the public abreast with developments of the Bank.			

## 6. ASSESSMENT OF INDEPENDENT DIRECTOR :

This refers to a Non-Executive Director who has the ability to exercise objective, independent judgment after fair consideration of all relevant information and views without undue influence from management or from in appropriate external parties or interests. However, a Non-Executive Director who represents the interests of Shareholders or has some form of connection with the Regulated Financial Institution will not be considered as independent director.

	YES	NO	
1. Are you a Non-Executive Director?			
2. Do you hold more than 5% equity interest directly or indirectly in the Bank or its related companies			
3. Have you been employed in an executive position in the Bank or its related company in the last 2 years prior to your appointment date.			
4. Do you have relatives employed by the Bank or any of its related companies as Key Management Personnel in the last two years?			
5. Have you engaged in any transaction within the last 2 years with the Bank on terms that are not less favorable to the Bank than those normally offered to other persons?			
6. Have you served as a Director in the Bank continuously for more than 2 terms if so can you confirm that your independence is not impaired.			
7. Are you related to persons with significant shareholding in the Bank or do you have any business or employment connections to a significant shareholder			
8. Do you hold cross directorship positions with other directors on the Board of other institutions?			
9. Are you a director on the Board of an institutional shareholder with significant equity interests in the Bank			

## 7. DECLARATION OF COMMITMENTS OUTSIDE SG GHANA

To ensure that you give greater time and commitment in your oversight function no Director shall hold more than 5 directorship positions at a time in both financial and non-financial companies subject to the restriction against concurrent directorships [of being a director, or key management personnel of another bank]. All Disclosures of other engagements shall indicated herein shall be disclosed and published in the Annual Report of the Bank.

KINDLY DISCLOSE OTHER DIRECTORSHIPS AND ENGAGEMENTS HELD				
1.	.....			
2.	.....			
3.	.....			
4.	.....			
5.	.....			

Date of review: .....

Director details: .....

Title: .....

Surname: ..... First/Other names: .....

Signature: .....

Date first appointed: .....

## INDIVIDUAL PERFORMANCE ASSESSMENT FORM BY CHAIRMAN

### 1. Attendance at meetings

- (a) Number of Board meetings attended in the year
- (b) Number of Committee meetings attended in the year
- (c) Chairman's comments:

### 2. Preparation for meetings

- (a) How well does the Director prepare for meetings?  
☐ Outstanding   ☐ Very good   ☐ Good   ☐ Satisfactory   ☐ Non acceptable
- (b) Chairperson's comments

### 3. Participation at meeting

- (a) what level of effective participation does the director or have in meetings:  
☐ Outstanding   ☐ Very good   ☐ Good   ☐ Satisfactory   ☐ Non acceptable
- (b) Chairperson's comments



**4. Additional roles**

(a) Does the Director make other contributions (Board committee, special assignment by the Board)?

(b) Chairperson's comments

**5. Chairperson's General Comments**

**6. Directors Assessment of the Chairperson's individual performance**

The above assessment has been discussed between the Chairperson and the Director concerned and the points have been agreed.

.....

**Director**

.....

**Chairperson**

## 8. QUALIFICATIONS REQUIRED FOR A COMPANY SECRETARY

<b>Section 211 Companies Act 2019 Act 992</b>	<b>Company Secretary</b>	<p>The Directors shall not appoint a person as a Company Secretary unless that person</p>
		<p>a) has obtained a professional qualification or tertiary level qualification that enables that person to have the requisite knowledge and experience to perform the functions of a Company Secretary.</p>
		<p>b) has held office, before the appointment as a Company Secretary trainee or has been articulated under the supervision of a qualified Company Secretary for a period of at least 3 years.</p>
		<p>c) is a member in good standing of (i) the Chartered Institute of Secretaries and Administrators OR (ii) the Institute of Chartered Accountants Ghana</p>
		<p>d) having been enrolled to practice is in good standing as a Barrister or Solicitor in the Republic</p>
		<p>e) by virtue of an academic qualification, or as a member of a professional body appears to the directors as capable of performing the functions of secretary of the company.</p>

**MARGARET BOATENG SEKYERE**  
**BOARD CHAIRPERSON**