

EXPLANATORY NOTES TO SPECIAL RESOLUTIONS

The notes below provide an explanation to the proposed Special Resolutions set out in the Notice and Agenda of the 29th Annual General Meeting of the Company. For these Resolutions to be passed, 75% of the votes of members present are required. The Resolutions are proposed to enable the Company to be compliant with, and to align its Regulations (Constitution) to, statutory and regulatory requirements. Below are the specific items for consideration and Regulations for which amendments are proposed.

SPECIAL RESOLUTION-7 - CHANGE OF NAME REPUBLIC BANK (GHANA) LIMITED (LTD) TO REPUBLIC BANK (GHANA) PUBLIC LIMITED COMPANY (PLC)

I INTRODUCTION

The registered name of the Company and the name under which it trades is "Republic Bank (Ghana) Limited". The Company is a public company limited by shares listed on the Ghana Stock Exchange. At the end of 2019, the new Companies Act, 2019 (Act 992) came into force providing a new company law framework and repealing the previous Companies Act, 1963 (Act 179).

Section 21(1) of the Companies Act, 2019 (Act 992) provides as follows:-

"The last words of the name of a

(a) private company limited by shares shall be "Limited Company" or the abbreviation "LTD"

(b) public company limited by shares shall be "Public Limited Company" or the abbreviation "PLC"."

Section 21(4) of the Companies Act, 2019 (Act 992) further provides that:-

"A company may in writing change its name by special resolution and with the written approval of the Registrar."

II RATIONALE

Since the coming into force of the new Companies Act 2019 (Act 992) the Company's name has now become misleading. In accordance with the provisions of the new Act, the proper name of the Company should be "Republic Bank (Ghana) Public Limited Company" or as abbreviated, "Republic Bank (Ghana) PLC".

The Registrar Generals' Department has also indicated that its systems have been calibrated to note the names of all listed companies as public companies.

The change of name is therefore critical to enable the Company's name to be aligned to the philosophy of the new Companies Act and be compliant with current legislation.

III REQUIRED APPROVALS

The Company would be required, pursuant to the Companies Act, 2019 (Act 992), to apply and seek the prior written approval of the Registrar of Companies, Ghana before it can have its name changed from Republic Bank (Ghana) Limited to Republic Bank (Ghana) Public Limited Company.

The Company would also be required, pursuant to the Banks & Specialised Deposit-Taking Institutions Act, 2016 (Act 930), to apply and seek the approval of the Bank of Ghana before it can have its current name changed from Republic Bank (Ghana) Limited to Republic Bank (Ghana) Public Limited Company. The Bank of Ghana has by letter dated 27th May 2010 granted approval for the Bank to change its name as proposed, subject to Shareholders' approval.

IV FINANCIAL IMPLICATION

Although there will be financial implications for the proposed name change, due however to prudent cost management, the Bank currently has low stock of stationery. The Bank will also continue to utilize current stock wherever possible in order to avoid waste.

The main cost that will be incurred due to the proposed name change will be related to changing of signage and the Bank's letterheads and the associated costs can be absorbed in 2020.

V CONCLUSION

The rationale behind the name change is to ensure that the Company is compliant with current legislation, in particular the Companies Act, 2019 (Act 992).

VI DIRECTORS' RECOMMENDATION

In view of the above, the Board of Directors recommends that Shareholders vote in favour of the resolution to effect a change in the Company's name from "Republic Bank (Ghana) Limited" to "Republic Bank (Ghana) Public Limited Company" (or in using the abbreviated legal suffix, "Republic Bank (Ghana) PLC") to be compliant with section 21(1)(b) of the Companies Act, 2019 (Act 992).

SPECIAL RESOLUTION-8 & 9 - VIRTUAL/HYBRID GENERAL MEETINGS

SPECIAL RESOLUTION-10 - CIRCULATION OF REPORTS

I INTRODUCTION

VIRTUAL/HYBRID GENERAL MEETINGS

Since March 2020 the world has been hit with a pandemic due to the outbreak of the new corona virus disease (Covid 19). As a result, the President of the Republic of Ghana, pursuant to Article 21 of the 1992 Constitution of the Republic of Ghana, caused to be enacted the "Imposition of Restrictions Act, 2020 (Act 1012)" which, among others, imposed restrictions on public gatherings in Ghana.

The Registrar-General, pursuant to Sections 378(2) of the Companies Act, 2019 (Act 992) and the Securities & Exchange Commission (SEC), pursuant to Sections 3 and 209 of the Securities Industry Act, 2016 (Act 929) have issued Guidelines (dated 14th May and 22nd May 2020 respectively) to enable companies and issuers and other capital market operators to fulfil their corporate governance and statutory obligations of holding Annual General Meetings electronically or virtually instead of physically, in light of the restrictions in force. The SEC Guidelines (SEC/GUI/003/05/2020) further advise Companies to amend their Regulations (Constitutions) where necessary, to accommodate electronic or virtual Annual General Meetings (going forward).

It is impossible to determine when another pandemic or similar adverse situation may arise. It is the Board of Directors' view that the Company should always be prepared and adequately equipped to meet its statutory obligations, including the holding of Annual General Meetings, irrespective of the prevailing circumstances.

The Regulations (Constitution) of the Company, which contain provisions guiding the conduct of General Meetings, do not currently cater for electronic or other non-physical presence at General Meetings.

Accordingly, the Board of Directors of the Company (after seeking relevant professional advice) and subject to regulatory approval, has determined that the Regulations (Constitution) of the Company be amended to allow for General Meetings of the Company to be held by non-physical presence /participation where necessary.

It is anticipated that the holding of virtual or hybrid General Meetings will offer shareholders enhanced opportunities to participate regardless of their locations, making meetings far more accessible to the majority of shareholders, particularly those who would otherwise not be able to attend physically.

CIRCULATION OF REPORTS

Additionally, Section 128 of the Companies Act, 2019 (Act 992) requires companies to cause to be prepared and sent to members of the company and debenture holders, at least once in every calendar year, a copy each of the Financial Statements and, the Directors' and Auditors' Reports. The Ghana Stock Exchange, after consultation with the Registrar-General, in February 2016 issued guidelines providing new approaches to reach

out to shareholders regarding year-end annual reports. This required companies to choose to adopt as many as possible of the following to satisfy the requirement for circulation:-

- (a) sending electronic versions by email
- (b) publishing in a widely circulating daily newspaper, after prior notice of publication (date and newspaper) having been given
- (c) publishing full electronic version of the annual report on the website of the company and informing members of the same
- (d) making a limited number of hard copies of the annual report available at the grounds of the Annual General Meeting.

The Company has since 2016, as with other listed companies ceased the wholesale distribution of hard copies of the annual reports and has instead been circulating annual reports to members using all four channels proposed. The Board of Directors however considers it prudent to formally adopt the Stock Exchange's approach by enshrining these options in the Company's Regulations.

II PROPOSALS

SPECIAL RESOLUTION – 8

Regulations 48 and 49 of the Company's Regulations read as follows:-

"48) Annual General Meetings shall be held in accordance with section 149 of the Code.

49) Extraordinary General Meetings may be convened by the Directors whenever they think fit in accordance with Section 150 of the Code and shall be convened by the Directors on a requisition of members in accordance with section 297 of the Code."

In order to enable the Company hold General Meetings without the need for physical presence at any one location, (and to allow for the insertion of a new paragraph in the Regulations (Constitution)), it is proposed as follows:-

- (i) *that Regulations 48 and 49 be merged to read as a new Regulation 48(1) and 48(2) respectively.*
- (ii) that a new Regulation 49 be inserted to read as follows:

"49) *General Meetings may be held by physical participation or virtual participation to include telephonic or electronic or other online communication means ("virtual meeting") or by a combination of physical participation and virtual participation ("hybrid meeting") and a member who establishes a virtual communication link to a virtual or hybrid meeting in the manner prescribed in the notice convening the meeting shall be deemed to be present at that meeting.*"

SPECIAL RESOLUTION – 9

In order to facilitate effective and easy voting at virtual or hybrid meetings, it is also proposed as follows:-

- (i) *that Regulation 59 of the Regulations be renumbered as Regulation 59(1)*

- (ii) that a new Regulation 59(2) be inserted in the Regulations (Constitution) to read:-

"59(2)...*Where the meeting is a virtual or hybrid meeting, voting shall be in accordance with the procedures for voting as described in the notice convening the meeting.*"

SPECIAL RESOLUTION – 10

Regulation 45 of the Company's Regulations, which refers to accounts of the Company reads:-

"45) The Board of Directors of the Company shall cause proper books of accounts to be kept and a profit and loss account and balance sheet to be prepared audited and circulated in accordance with Sections 123 to 133 of the Code."

In order to facilitate the requirement to "send to every member of the company, and to every holder of debentures of the company", the financial statements and reports as required under section 128 of the

Companies Act 2019, (Act 992), it is proposed that Regulation 45 be extended by appending to the end of the paragraph the following:-

"45) ... Provided always that the requirement for circulation of the financial statements and reports shall be satisfied by adopting any of the following modes, namely:-

(a) Sending electronic versions by electronic means

(b) Publishing in a widely circulating daily newspaper after giving prior notice of publication (date and newspaper)

(c) Publishing the full electronic version of the annual report on the Company's website and informing members and debenture holders of the same

(d) Making a limited number of hard copies of the annual report available at the grounds of the Annual General Meeting."

III REQUIRED APPROVALS

Section 30(1)(b) of the Companies Act, 2019 (Act 992) provides that:-

"The shareholder or members of a company may, by special resolution alter or revoke the constitution of the Company subject to this Act."

Section 27(1) of the Banks & Specialised Deposit-Taking Institutions Act, 2016 (Act 930) also provides that:-

"A bank or specialized deposit-taking institution shall, before making an amendment to the company name, company regulations or other instrument under which that bank or specialized deposit-taking institution was established, furnish the Bank of Ghana with particulars of the proposed amendment for approval."

Accordingly, the Company will make formal application to the Bank of Ghana for the Regulator's consent to the proposed amendments to the Regulations.

The Company will also issue formal notices of the proposed amendments to the Registrar-Generals Department and the Securities & Exchange Commission after Shareholders' approval has been obtained.

IV FINANCIAL IMPLICATION

The main cost to be incurred will be in relation to the engagement of a third party IT Consultant to facilitate virtual/hybrid meetings and a sign language interpreter.

V DIRECTORS' RECOMMENDATION

In view of the above, and subject to Regulatory Approval, the Board of Directors recommends that Shareholders vote in favour of these Special Resolutions.

It is intended that the foregoing, if approved, will more sufficiently equip the Company to fulfil its statutory obligations in this digital age.